FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

Latin America

FBIS-LAT-89-166
Tuesday
29 August 1989

Daily Report
Latin America

FBIS-LAT-89-166 *29 August 1989*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

CARIBBEAN

Cuba

Sentencing Pending for Abrantes, Others *[Havana TV]* 1
Prosecutor Recommends 20 Years *[AFP]* 2
Accused Receive Sentencing *[Havana International]* 3
Malmierca Arrives in Belgrade for Summit *[Havana Radio]* 3
Trade Union Official on Solidarity With Panama *[Havana TV]* 3
* Hungarian Article on Ochoa Affair Criticized 3
* Hungarian Daily on Ochoa Case *[Budapest MAGYAR NEMZET 18 Jul]* 3
* Cuban Response Critical *[GRANMA 3 Aug]* 5
140 Internationalists Return to Fatherland *[Havana Radio]* 6
Dissidents Allowed To Choose Defense Lawyers *[Madrid EFE]* 6
Havana Man Arrested for Strong-Arm Robbery *[Havana Radio]* 7

Grenada

Prime Minister Denies Possibility of Instability *[CANA]* 7

Haiti

'Repression' Against Popular Groups Continues *[Port-au-Prince Radio]* 8
Establishment of New FOS-Affiliated Union *[Port-au-Prince Radio]* 8

CENTRAL AMERICA

Costa Rica

Church Mediating To End Strike in Limon *[AFP]* 9
Immigration Director Arrested for 'Irregularites' *[LA REPUBLICA 17 Aug]* 9

El Salvador

Government To Form Dialogue Commission *[San Salvador Radio]* 10
Official Says FMLN 'Intensifying' Mass Actions *[EL MUNDO 25 Aug]* 10
Communique Supports Cathedral Occupation *[Radio Venceremos]* 11
Rebel Radios Report Honduran Army Incursion 11
Says Azcona Violates Tela Accord *[Radio Farabundo Marti]* 11
FMLN Communique Issued *[Radio Venceremos]* 11

Guatemala

President Cerezo Announces New Economic Plan 12
Private Sector Boycotts Meeting *[AFP]* 12
Outlines '500-Day Plan' *[Guatemala City Radio]* 12
Government Blamed for Wave of Violence *[AFP]* 17
Rebel Attack Results in Partial Blackout *[Buenos Aires REUTER]* 18

Nicaragua

Ministry Reports Arrest of U.S., UK Fishermen *[Buenos Aires REUTER]* 18
Spain To Send Peace Supervision Officers *[Managua Radio]* 18
President Ortega Meets With Cooperative Members *[Managua TV]* 18
Government Signs Trade Protocol With Cuba *[Managua Radio]* 19
National Television Grants Airtime to All Parties *[ACAN]* 19
Presidency Minister Submits Bills to Assembly *[Managua Radio]* 19
Presidential Nominating Period Starts 25 Aug *[Managua Radio]* 20
Opposition Leaders To Return to Country *[Managua Radio]* 20
PLI's Bonilla on UNO Meeting, Other Topics *[Managua Radio]* 20
Opposition Approves Draft Government Platform *[Managua Radio]* 20
UNO Spokesman Comments *[Managua Radio]* 20
Democratic Conservative Party Nominates Candidate *[Managua Radio]* 21
SD Leader Cesar on Canal Possibilities *[ACAN]* 21
Casualties Reported in 22 Aug Contra Ambush *[BARRICADA 24 Aug]* 22

Panama

Possibility of U.S. Invasion Not Rejected *[Panama City TV]* 22
Delvalle Accused of Squandering State Money *[LA REPUBLICA DOMINICAL 27 Aug]* 22
Various Figures Assess U.S. Military Presence 23
PRD Issues Communique *[LA ESTRELLA DE PANAMA 27 Aug]* 23
Union Head Vows U.S. Defeat *[Panama City Radio]* 24
Journalists Protest 'Provocations' *[LA ESTRELLA DE PANAMA 28 Aug]* 24
U.S. 'Tourists' Arrested at Rio Hato Fair *[LA ESTRELLA DE PANAMA 25 Aug]* 25
Colombian Envoy Recalled to Bogota for Talks *[ACAN]* 25
Further on Noriega's Comments About Businessmen *[Panama City Radio]* 25
Legislative Assembly May Extend Term to Nov *[Panama City TV]* 26
Possible Solutions to Government Crisis Viewed 26
ACAN Notes Options 26
Commentary on 1 Sep Power Transfer *[Panama City Radio]* 27
ADOC Communique Urges Calm *[Panama City Radio]* 27
Escobar on Unauthorized Offer to Opposition *[Panama City Radio]* 28
'Room' for Talks Possible *[Panama City TV]* 28
Authorities Reportedly Arrest 6 PDC Members *[Hamburg DPA]* 29
PPR: 400 Guerrillas Ready To Attack Capital *[CRITICA 28 Aug]* 29
Commentary Lashes Out at 'Pseudo-Lefists' *[Panama City TV]* 29
Various Groups Form Fatherland Defense Committees 30
Railroad Creates Committee *[Panama City Radio]* 30
Bank Employees Form Group *[LA REPUBLICA 27 Aug]* 30
Episcopal Commission Urges Media Freedom *[PANORAMA CATOLICO 27 Aug]* 31
Labor Minister Reports on Unemployment Levels *[Panama City TV]* 31
Media Review of Political, Economic Situation 31

SOUTH AMERICA

Bolivia

Alleged Colombian Drug Traffickers Arrested *[Madrid EFE]* 34
Armed Forces Commander on Antidrug Fight *[La Paz Radio]* 34
Position on Ties With Chile 'Reaffirmed' *[Madrid EFE]* 34
Paz Zamora Interviewed on Relations With Chile *[COSAS 17 Aug]* 34

Brazil

Mayor Wants Reinforcement at Colombian Border *[Madrid EFE]* 35
Group of Eight To Meet in Rio 30-31 Aug *[Brasilia Radio]* 35
Police Remove Bomb From PT Electoral Office *[Rio de Janeiro TV]* 36
Collor Continues To Lead Presidential Race *[O ESTADO DE SAO PAULO 25 Aug]* 36

Chile

Justice Minister's Escort Car Attacked *[EL MERCURIO 25 Aug]* 36
Arrested Suspects in Tobalaba Attack Named *[EL MERCURIO 22 Aug]* 36
Southern Cone Transport Ministers Meet 28 Aug *[Santiago Radio]* 37
Icarosan Buys 51 Percent of Lan Chile Shares *[EL MERCURIO 19 Aug]* 37
* Resumption of Buchi Candidacy Viewed *[ERCILLA 12 Jul]* 37

Colombia

Barco: Drug Trafficking Endangers Country *[Madrid EFE]* 40
Court Revokes Arrest Warrant for Drug Kingpins *[Hamburg DPA]* 41
Recall of Envoy to Panama Termed 'Indefinite' *[Madrid EFE]* 41
Bombs Defused in Medellin; Police Released *[Bogota TV]* 41
Pizarro Proposes 'National Salvation Pact' *[EL TIEMPO 25 Aug]* 41

Peru

Colombian Border Closed To Check Trafficking *[Lima TV]* 42
Border in 'State of Alert' *[Lima TV]* 42
Minister Wants More U.S. Aid *[Lima TV]* 42
Education Minister Efrain Orbegoso Installed *[Lima TV]* 43

Uruguay

Sanguinetti Plans Sep Visit to Japan, U.S. *[Montevideo Radio]* 43
'Indiana I' Ferry Returns to Montevideo 23 Aug *[Madrid EFE]* 43
Leaves for Chile 24 Aug *[TELAM]* 43
Aeroflot Awaits Decision on Line From Moscow *[LA HORA POPULAR 19 Aug]* 44

Cuba

Sentencing Pending for Abrantes, Others

FL2808171889 Havana Tele-Rebelde Network in Spanish 1100 GMT 28 Aug 89

[Text] The fourth and final session of the oral trial of Case No 2 of 1989 for the charges filed by the Special Military Tribunal ended yesterday [27 August] after the prosecution presented the closing arguments and the defense attorneys presented their oral reports and pleas. The process has been left ready for sentencing.

The Ministry of the Prosecution, represented by Felipe Aleman Cruz who is chief of the Revolutionary Armed Forces [FAR] Prosecution [as heard], recommended the following sentences for the accused:

Accused Division General Jose Abrantes Fernandez—20 years imprisonment for the crimes of abusing the privilege of post, negligence in service resulting in grave consequences, and inappropriate use of material and financial resources.

Accused Pascual Martinez Gil—15 years imprisonment for the crimes of abusing the privileges of post and the inappropriate use of material and financial resources.

Accused Brigade General Roberto Gonzalez Caso—13 years imprisonment for the crimes of abusing the privileges of post and bribery.

Accused [Lieutenant Colonel] Oscar Carreno Gomez—13 years imprisonment for the crime of inappropriate use of financial and material resources and bribery.

Accused Lieutenant Colonel Manuel Gil Castellanos—8 years imprisonment for the crime of bribery.

Accused Lieutenant Colonel Rolando Castaneda Izquierdo—10 years imprisonment for the crime of abusing the privileges of post, bribery, and illegal possession of firearms.

Accused Hector Carbonell Mendez—12 years imprisonment for the inappropriate use of financial and material resources, bribery, and the illegal possession of arms.

Prosecutor Felipe Aleman Cruz asked for the following additional sanctions:

A request be submitted to the commander in chief so that the ranks of general be taken away from the accused Abrantes Fernandez, Martinez Gil, and Gonzalez Caso; and that the ranks of lieutenant colonel be taken away from the accused Gil Castellanos and Castaneda Izquierdo and that they be reduced to the rank of private; that the effects and the instruments of the crimes be seized from the accused, that their ill-acquired goods be confiscated; and that they be prohibited from carrying out future administrative charges, after they have served their sentences. The prosecution also asked that a request be made to the appropriate authorities so that any decorations and distinctions that the accused may have received be removed.

In the case of the accused Division General Abrantes Fernandez, the main defendant, the prosecutor explained that Abrantes abused his powers behind the back of the country's leadership, and that by ignoring laws, norms, and moral principles, he committed a series of criminal acts. Among those acts, he cited the existence of a currency reserve worth millions [monetary unit not specified] which operated in a hidden and illegal manner for the acquisition of goods which were for the Ministry of the Interior [MININT] and, at times, also for his personal use. The prosecutor also said that accused Abrantes Fernandez authorized financial operations, outside the budget the state had assigned for the MININT. Furthermore, he added, the operations were carried out without any control by the state or even by the Finance Directorate of the MININT. In this same manner, Prosecutor Aleman Cruz said accused Abrantes Fernandez received, in an illegal and unauthorized manner, several million dollars in contributions which went to the increase the aforementioned reserve. Among the entities which contributed those sums was the MC Department of the MININT, which was headed by former Colonel Antonio de la Guardia, other MININT components, the nation's customs office, as well as a commercial enterprise created by the accused Abrantes Fernandez for activities not related to the MININT but which reported dividends in freely convertible currency.

As part of what the prosecutor called dollar fever, the accused Abrantes Fernandez authorized operations for the exchange of Cuban pesos in the black market [passage indistinct]. He also took advantage of the privileges and connections of the MININT in the processing of visas. He arbitrarily and illegally designated components of the MININT as commercial associates that received revenues from the trips that Cuban citizens made abroad, which were called temporary exits from the country. These operations, whose nature and reason for being were always based on humanitarian reasons, lost their virtue because they were done to economically benefit the ministry, thus keeping legitimate revenues from the Cuban State [passage indistinct].

Aleman Cruz also cited the purchase, authorized by accused Abrantes Fernandez, of almost 1,300 vehicles, mostly cars, valued at $4 million, during a period of 14 months between April of 1988 and June 1989. Aside from its unnecessary and arbitrary nature, this disproportionate purchase was carried out with the deliberate purpose of placing the ministry in a privileged position, in comparison to the other state organizations, since the MININT also received [words indistinct] which the state had centrally provided for that ministry.

Prosecutor Aleman Cruz made reference to the concealment and manipulation of sensitive information for the state which was never passed on to the party and state's leadership. Some of this information continuously came

into the hands of Abrantes as early as February 1989. The information provided clear indications of the participation of MININT officers in international drug trafficking. The prosecutor said Abrantes Fernandez did not want to objectively see the value of the information that could have led to uncovering the activities of Tony de la Guardia's group and the MC Department, despite the fact that he had been charged by the highest leadership of the country to investigate if someone in Cuba was involved in drug trafficking activities, and taking into consideration the coincidence of rumors, public accusations, and certain information that friends of Cuba had given to the country. In the prosecutor's opinion, the disinformation, concealment, and manipulation of information by Abrantes Fernandez was directly related to the fact that Tony de la Guardia, the MC Department and its various components, were some of the most important suppliers of revenues for the currency reserve, created by the former minister of the interior, who systematically denied the mere idea that someone from the MININT may be involved in such shameful activity.

On the other hand, the prosecutor emphasized that it had not been possible to find evidence which would prove that there had been any deliberate and conscious actions of concealing or stopping the uncovering of drug trafficking operations, or that there had been participation in them. In none of the confessions, testimonies, or investigations carried out during the investigative process of the Ochoa-La Guardia case, nor during the current investigations of this Case No 2 of 1989, was there any proof that there was an established direct, conscious, or fraudulent connection with drug trafficking. Due to these circumstances, the responsibility of Abrantes Fernandez was seen within the framework of negligence in service with serious consequences and not as treason. Afterward, the prosecutor [passage indistinct] modifying, in some cases, what he had requested in his preliminary conclusions.

During the afternoon, the seven defense attorneys spoke. Dr Mario Ceballos, who represents accused Abrantes Fernandez, admitted that elements of proof had been provided which showed that his defendant committed the crimes of abuse of privilege of post and negligence in service. Technically, he objected to the classification of the crime of inappropriate use of financial and material resources. Although he did indicate he thought a deterioration of Abrantes' mental ability [as heard] had taken place and consequently, he had resorted to extenuating circumstances. Therefore, he asked for moderation to the sentence, considering the prosecutor's recommendation too severe. For his part, Dr Juan Mendoza Diaz, defense attorney for accused Pascual Martinez Gil, admitted that the charges filed had been proven. However, he presented technical-judicial objections to the classifications of the Ministry of the Prosecution. Mendoza Diaz highlighted the prior revolutionary record of the accused, his fulfillment of important missions, and his sincere behavior and contribution to the clarification of the facts during the current process. Dr Clemente Gomez Rodriguez, defense attorney for Roberto Gonzalez Caso, presented various judicial arguments which led to an absolvitory verdict [as heard] and the proposal for a more benign one than the one suggested by the prosecution. Dr Tomas de Aquino Oquendo Aneiro spoke for the defense of accused Oscar Carreno Gomez. Oquendo Aneiro questioned technical-judicial aspects of the prosecution's presentation. He also asked that the tribunal keep in mind the nonexistence, according to him, of the crime of bribery, and finally, to recall that the crime of abuse of authority carries a lower sanction.

Dr Jorge Lorenzo Mendez, defense attorney for Hector Carbonell Mendez, based his defense on the fact that elements, which typify the crime of inappropriate use of resources, did not exist. With regards to the crime of bribery, he also said the elements of the crime were not present. For his part, Dr Juvencio Urbay Cancio, defense attorney for Manuel Gil Castellanos, said that the elements of the crime of bribery are not existent in the charges filed against his defendant, but instead a moral breakdown, and a political and ideological weakness was shown by the accused. Thus, he asked for an absolvitory verdict. Finally, the defense attorney for Rolando Castaneda Izquierdo, Dr Mario Tagle Babe, said he thought the charges filed against his defendant are not of the magnitude of the other crimes of which the other defendants are accused. Therefore, since they are not (?related) crimes, he felt the crimes should be judged in a lower court. The attorney did, however, admit that Castaneda Izquierdo had abused his privileges of post.

During their respective pleas, the defense attorneys who spoke after Ceballos also asked the tribunal that when it decides on the sentences it consider the revolutionary record of the accused. Once the defense attorneys' pleas were concluded, the president of the tribunal, Division General Ulises Rosales del Toro, asked the accused if they wished to add any elements to their defense. None of them expressed a desire to make use of this opportunity.

Consequently, the president of the tribunal said the oral hearing had ended and declared the process concluded for sentencing. The session ended at 2030 [0000 GMT, 28 August].

Prosecutor Recommends 20 Years

PA2808125089 Paris AFP in Spanish 1205 GMT 28 Aug 89

[Text] Havana 28 Aug (AFP)—The special court-martial against Division General Jose Abrantes ended on Sunday and the prosecutor asked that the former Cuban interior minister be sentenced to 20 years, it was officially reported today.

The proscutor asked for sentences ranging between 8 and 15 years for the other six defendants, all former officers of the Interior Ministry. He also asked that all of them be demoted.

Accused Receive Sentencing

PA2808155789 Havana International Service in Spanish 1412 GMT 28 Aug 89

[Text] The last session of the trial conducted against seven former Cuban Interior Ministry officials ended with a request for a 20-year sentence for former Cuban Interior Minister Jose Abrantes Fernandez and various other sentences for the other defendants.

Today, the newspaper GRANMA reported that the 4th session of case No 2 of 1989, handled by a special military tribunal, ended on 27 August with final statements by the prosecutor and the defense lawyers. The sentences are pending now.

The Attorney General's Office, represented by Lawyer Felipe Aleman Cruz, chief of the Cuban Revolutionary Armed Forces Attorney General's Office, requested a 20-year sentence for Division General Abrantes Fernandez for abuse of authority, negligence, and the illegal use of financial and material resources.

Prosecutor Aleman requested a 15-year sentence for Pascual Martinez Gil, former first vice interior minister for abuse of authority and the illegal use of financial and material resources.

In addition, Aleman requested a 13-year sentence for Brigadier General Roberto Gonzalez for abuse of authority and bribery. The prosecutor requested the same punishment for former Customs Directorate Director Oscar Carreno Gomez for the illegal use of financial resources and bribery.

For Hector Carbonell Mendez, former director of an enterprise linked to the Cuban Interior Ministry, the prosecutor requested a 12-year sentence for the illegal use of financial and material resources, bribery, and the illegal possession of weapons.

The prosecutor requested a 10-year sentence for defendant Lieutenant Colonel Rolando Castaneda Izquierdo for abuse of authority, bribery, and the illegal possession of weapons; and an 8-year sentence for Lt Col Manuel Gil Castellanos for bribery.

As an additional sanction, Prosecutor Aleman Cruz asked the tribunal to send a note to President Fidel Castro asking him to strip the defendants of their ranks.

Malmierca Arrives in Belgrade for Summit

FL2808230989 Havana Radio Rebelde Network in Spanish 2215 GMT 28 Aug 89

[Text] Cuban Foreign Minister Isidoro Malmierca arrived in Belgrade today thus becoming the first minister to begin his tasks related to the ninth summit of nonaligned countries.

Malmierca was received by the deputy secretary of foreign affairs, (Miljobe Maxin); two officials of the Federal Secretariat for Foreign Affairs; and Cuban Ambassador Zoila Rosales. [titles as heard]

Trade Union Official on Solidarity With Panama

FL2808213989 Havana Tele-Rebelde Network in Spanish 1700 GMT 26 Aug 89

[Report by correspondent Nelson Notario Castro from Panama City, recorded]

[Notario Castro] The Ninth Congress of the National Federation of Panamanian Workers is being held in Panama City's Atlantic-Pacific Convention Center. Comrade Jesus Escandel heads the Cuban delegation representing the Central Organization of Cuban Trade Unions [CTC].

Comrade Escandel, what message has the CTC conveyed to this congress?

[Escandel] We have brought this ninth congress, which is being held at a crucial time, the most [words indistinct] of the Cuban workers with the cause of the Panamanian people, who are today being attacked by the U.S. Government. We have also seen, with great satisfaction, how all Latin American [words indistinct] and other organizations have come here to Panama to show their firm solidarity with the workers and people of Panama.

There were some very moving moments when the Panamanian workers expressed their solidarity with the Cuban revolution; the affection they feel for the Cuban revolution, especially for the commander in chief, Comrade Fidel Castro.

* Hungarian Article on Ochoa Affair Criticized

* Hungarian Daily on Ochoa Case

32480203 Budapest MAGYAR NEMZET in Hungarian 18 Jul 89 p 2

[Article by Gabor Nagy. For related material see the Cuba section of the LATIN AMERICA DAILY REPORT, 7 August 1989, page 19]

[Text] Only after a series of events lasting several weeks, which created feverish excitement in all of Cuba and compelled its people to watch television, was the volley of shots fired by the execution squad. They administered the death sentence to four high-ranking Cuban officers charged with treason, drug smuggling and corruption. They did so in defiance of requests to the contrary by the Pope and by Amnesty International. However, many questions remained unanswered. Many feel that, with the exception of the Bay of Pigs interventionist action, this is the gravest crisis the Caribbean island has experienced since the victorious Cuban revolution.

The events began to unfold on 12 June, when 57-year-old Lieutenant General Arnaldo Ochoa Sanchez, the tested member of the Cuban leadership, was arrested. He had only recently returned from Angola where he served as

commander in chief of the expeditionary force. Two days later five other high-ranking officers were detained, among them Ochoa's assistant, as well as Patricio de la Guardia Font, an officer assigned to the Ministry of the Interior on confidential duty. Then on 16 June GRANMA, the official Cuban Communist Party newspaper, linked the arrested officers to narcotics smugglers. Six days later the newspaper reported the entire series of crimes. According to information received by CAMBIO 16, the report was written by Fidel Castro himself.

The 'Godfather' From Medellin

The lengthy indictment is constructed on two of the Cuban leader's favorite subjects: money and narcotics. Both of these push humanity "into the arms of capitalism," according to Castro. Ochoa and his associates were charged with reaping at least $3.4 million in profits between 1968 and 1989 by helping the Medellin cartel, which leads Colombian drug trade, to smuggle at least 6 tons of cocaine to the United States. It was alleged that the general used the money to develop an extensive black market network which extended from Angola to Panama, and dealt in anything from which it could profit, from military equipment to diamonds to ivory.

Before the 47-member military tribunal chaired by Castro's brother Raul, Ochoa's assistant admitted to flying to Colombia in May 1988 to coordinate with Pablo Escobar—the "godfather" from Medellin—on the steps to be taken in the narcotics trade; this was done in order to become more successful in fighting the American agency responsible for drug enforcement and the Coast Guard in Florida. Escobar also asked the Cuban officer to provide him with ground-to-air missiles.

In addition to Ochoa and his adjutant, those executed included the aforementioned Colonel Antonio del la Guardia Font. He was in charge of a Ministry of the Interior division which used a wide variety of methods to acquire needed technology for Cuba, while frustrating the 28-year-old U.S. embargo. However embarrassing it may be, it is possible that de la Guardia, together with his twin brother who was sentenced to a long prison term, belonged to the exclusive group in which Cuba's number one leader had confidence. The career of Ochoa, the lead actor in the proceeding, is not typical of a drug dealer. He fought to topple the Batista regime in the Sierra Maestra, and had been a member of the Cuban Communist Party Central Committee ever since 1965. In the late 1960's he took part in the Latin American guerrilla struggles, primarily in Venezuela, according to a biographical summary prepared by the University of Miami in the United States. In 1972, Ochoa travelled with Castro to Africa. There they specified the details of Cuba's military role on the black continent. Following his studies in the Soviet Union, Ochoa was appointed commander of the 12,000-strong Cuban expeditionary force stationed in southern Angola. Several important posts followed in Ethiopia, and in Nicaragua. The general then returned to Angola and was ordered to return to Cuba 6 months later, following the decision to remove Cuban forces from Angola. NEWSWEEK cites people who had had close relationships with Ochoa over the years. In their eyes he was the "soldier of soldiers." He was a "Hero of the Revolution," a title which neither of the Castro brothers gave themselves, and which was awarded to only six persons in Cuba.

Correlations

In addition to biographical data, there are other correlations which instill doubt in the minds of Western analysts as to whether the Ochoa group was indeed guilty of having committed everything they were charged with, or if there are some other considerations behind the speedy and spectacular trial. In any event, the proceedings caused great upheaval; together with those executed, they charged and convicted part of the cream of the highest military and interior leadership, including the powerful minister of the interior, Jose Abrantes Fernandez. On the other hand, the head of the Defense Ministry was not held responsible. He suffered no harm at all, even though his ministry was found to have the shortcomings attributed to the Interior Ministry. True, the defense minister's name is Raul Castro, and he was the chief prosecutor of the executed and imprisoned officers.

In Washington in recent years, facts had been presented ever more vocally, showing that high-ranking Cuban leaders—primarily in the military—were involved in smuggling drugs to the United States. Last year one drug merchant who changed sides stated that in late 1979 and early 1980—i.e. prior to the actions the Ochoa group was charged with—Cuban officers offered him the opportunity to use Cuban air space to transport narcotics to Florida. He claims to have rejected the offer, but he knew that there were some who accepted it. The Americans state that the Cubans provided not only logistical support, ships, and power boats to drug smugglers. They also helped by providing identification codes for their airplanes while flying in Cuban air space.

As CAMBIO 16 explains, the unmasking of Ochoa and his associates did not prove to Washington that Fidel Castro had nothing to do with drug trafficking. Surprisingly, the Spanish weekly reminds its readers that among the Senate documents which launched the Ochoa affair, there was one which states that in 1961, 2 years after Castro's victory, since-murdered heroes of the Latin American revolution met in Havana to discuss the possibility of establishing a drug trafficking network between South America and the United States. The two persons were the then senator Salvador Allende, and Ernesto Che Guevara.

And a former adviser to Panamanian strongman Noriega stated that in one instance Castro "mediated" in resolving a dispute that erupted between Noriega and Colombian drug smugglers.

The view that Ochoa became the victim of a "power struggle" is widespread particularly among Cuban emigrants. This is so, because potentially the charismatic

general could have set himself up against Castro. NEWSWEEK regards this assumption as unfounded; it is inclined to believe that on this occasion they "wanted to set an example" in Havana.

Growing Dissatisfaction

Whether Castro knew about narcotics smuggling or not, he faced growing discontent within the army. Many enlisted men and officers returning from Angola became dependent on drugs and returned infected with AIDS. In addition, the soldiers returning amid much pomp found an economy in ruins that was not in a position to offer jobs to all. The argument holds that Castro was compelled to strengthen his position. For this reason he was forced to settle accounts with General Ochoa who was popular in the army. It is likely that there is a good reason for the indictment to state that by using money acquired through the narcotics trade and drug smuggling, Ochoa tried to recruit young officers to his side by giving them gifts.

The court martial was concluded rapidly; judgment was quick and pitiless. But as far as Fidel and Raul Castro are concerned, analysts believe the affair has caused headaches and will continue to do so. As a speech delivered by Raul Castro before the Cuban State Council reveals, Fidel also had some sleepless nights as a result of the proceedings. In wrapping up the case he spent 153 hours in his private office. Incidentally, since the 12 June arrest of Ochoa, the Cuban leader emerged publicly for the first time a week ago to detail the horrible acts perpetrated by the "traitors to the revolution." He did so in a 4-hour speech, which by Castro's standards is unusually brief.

* Cuban Response Critical

32480203 Havana GRANMA in Spanish 3 Aug 89 p 6

[Commentary by Felix Pita Astudillo: "Trafficker in Slander."]

[Text] If it had not been in Hungary, it could have been in Miami.

In the filthiest of the slander sheets that the counterrevolution publishes in Miami.

The best proof of this is that without missing a beat, the hack writers for enemy radio hastened to publicize it, giving it complete credence. Hungarian journalist Gabor Nagy, from the publication MAGYAR NEMZET, wrote an article entitled "The General and Drugs" in which he insults the Cuban Revolution to the point of outrage.

The disgusting article, which appeared last 18 July, is enough to cause nausea in the strongest stomach. What is more, it is the clear-cut product of someone who smuggles in dirty ideas.

This idea-trafficker does not think twice about insulting the Revolution, its leaders, and even the Cuban people themselves. He shows his true face when he puts aside all of the political and ethical considerations that a journalist with a modicum of seriousness ought to bear in mind and relies entirely on Western sources and even on the counterrevolutionary maggots in Miami.

Oddly enough, he does not cite a single Cuban source, even though the press, radio, and television coverage that the issue received in Cuba was among the biggest in history. The Hungarian journalist turned to the West alone, and all of his data come from documents from the U.S. Congress, the University of Miami, the American magazine NEWSWEEK, the Spanish magazine CAMBIO 16, and, of course, "Cuban exile circles."

But Gabor Nagy does not stop there. He adds nasty remarks of his own invention, like a "sorcerer's apprentice" who would like to outdo Washington in its anti-Cuban slander.

The article, of course, is about the trial of the Ochoa-La Guardia group for betraying the Homeland. He begins by describing the sentence that was imposed as "quick and pitiless."

Echoing the imperialist press, Gabor Nagy doubts whether Fidel and the country's top-level leadership were unaware of the drug trafficking. He even slips in the remark that "the unmasking of Ochoa and his comrades did not demonstrate that Fidel has nothing to do with drug trafficking."

He goes even farther. He refers to obscure Yankee Senate documents to claim that "Che" Guevara and Salvador Allende were in contact as early as 1961, just 2 years after the revolutionary triumph, "to establish a drug trafficking network between South America and the United States."

With this obscenity Gabor Nagy insults the memory of two Latin American heroes, two great men who are already immortals in history, who sought the liberation of Latin America along different paths, and who gave their precious lives in the endeavor.

It does not upset the Hungarian journalist to desecrate two symbols that no longer belong just to Cuba or Chile because, as Ruben Dario said when Marti died, they belong to the future.

Gabor Nagy continues his insidious article, again quoting U.S. and counterrevolutionary sources, and claims that "Ochoa was a victim in the struggle for power" and that "Havana wanted to teach people a lesson."

At this point, though, he shamelessly adds his own comments. He says that the Cuban Government "had to settle accounts with Ochoa, who was popular in the army," and he underscores without the slightest substantiation "the growing discontent of the army" in Cuba.

This idea-trafficker then rounds out his diversionist effort by unabashedly offending the Cuban people, some 300,000 of whose finest sons travelled to African soil as

standard-bearers of internationalism, the essential ingredient of revolution and socialism.

He offends the combatants who fell in the noblest of struggles, he offends their mothers, their children, their widows. And he offends those who have returned victorious, when he says:

"Many enlisted men and officers who have returned from Angola have brought with them an addiction to drugs and the AIDS infection. On top of that, those who have returned to their homeland, which gives them a pompous welcome, find an economy in ruins that is not in a position to offer them all jobs."

It matters little whether Nagy is a flesh-and-blood journalist or a pseudonym to conceal evil intentions. Cuba's bitterest enemy, in any office of U.S. special services, could not have done a better job.

The beautiful, centuries-old revolutionary traditions of the Cuban people cannot be tarnished by his epithets, lies, and slander. If he tried to read his article in front of any group of Cuban workers, Gabor Nagy would be unable to finish it. The indignation of the people would not allow him to. Furthermore, he would not be able to finish reading it to Hungary's own workers, the heirs of Kossuth, Bela Kun, and the Magyar internationalists who fought alongside the Spanish people during the 1936 Civil War. Hungary's revolutionaries would soon discover his true counterrevolutionary colors.

People like him, however much they would like to hide behind the words "reform," "pluralism," or who knows what other label, are playing along with the worldwide campaign that the U.S. Government is currently waging against socialism. And we must not rule out the possibility either that individuals like Gabor Nagy feel in some way committed to compensating the empire for the promises of paltry economic aid that President George Bush made to Hungary during his recent trip to that country.

They are thus trading their principles for a meager plate of beans. With "drugs" like "The General and His Drugs" [as published] Gabor Nagy can carry out his personal "revolution" and get himself a job as Radio Marti's Budapest correspondent.

The Cuban people are not prepared to tolerate such attacks in silence, attacks that are particularly repugnant when they are published in a newspaper from the Hungarian People's Republic. To make matters worse, MAGYAR NEMZET is not a counterrevolutionary rag or an organ of the so-called unofficial or opposition groups. It is nothing less than the publication of the Patriotic People's Front of Hungary.

For 3 decades now we Cubans have stood up to the slander of the common enemy. If a "cross fire" is now unleashed from other directions, the people of Cuba will be able to stand up to it too.

140 Internationalists Return to Fatherland

FL280815089 Havana Radio Reloj Network in Spanish 1402 GMT 28 Aug 89

[Text] Another group made up of over 140 internationalist combatants returned last night from the People's Republic of Angola and received a warm welcome on behalf of the Cuban people from Communist Party of Cuba [PCC], mass, and political organization leaders.

The combatants expressed their joy to be back in the fatherland, as well as their satisfaction with their military success in Angola. They also said they were willing to return to the brother African nation whenever they are needed.

Yolanda Ferrer, alternate member of the PCC Politburo, welcomed the group of internationalists who arrived in the fatherland by plane. Lieutenant Colonel Ivan del Portal Alvarez, chief of the flight, expressed, for himself and on behalf of the combatants, their joy to be back in the nation. He also said that they felt proud to have fulfilled their missions. Del Portal also noted his joy at seeing the Cuban people's welcome for the returning internationalists.

Dissidents Allowed To Choose Defense Lawyers

PA280821389 Madrid EFE in Spanish 0618 GMT 28 Aug 89

[Text] Havana, 25 Aug (EFE)— Spokesmen for the "Coordinating Board of Human Rights Organizations" announced today that Cuban dissidents Elizardo Sanchez and Hiran Abi Cobas, arrested 18 days ago, will be defended by lawyers chosen by their organizations, which have no legal status.

Last night, the Cuban Justice Ministry authorized lawyer Antonio Varona, a member of the "Cuban Human Rights and National Reconciliation Committee," to handle the defense of Sanchez, this group's secretary.

Sources at the "Cuban Human Rights Committee" said lawyer Jorge Bacallao, a commission member, will defend Hiran Abi Cobas, the "Human Rights Party" acting secretary.

Meanwhile, efforts are being made so that a lawyer who does not belong to the "collective law firms" may represent Hurbert Jerez, head of the "Marti Committee for the Human Rights."

The three arrested persons were accused of spreading false news regarding the handling of the trial of the officers linked to the drug trafficking operations of the "Medellin Cartel," and will be tried soon.

Moreover, Orlando Polo, head of the "Vida Naturist Association," is still under arrest. The association was evicted from its building this week, and the people there are considered illegal tenants. To protest this order and attempt to get it rescinded, Polo and his wife Mercedes Paez began a "voluntary fast."

Havana Man Arrested for Strong-Arm Robbery

FL2808181889 Havana Radio Progreso Network in Spanish 2230 GMT 25 Aug 89

[Text] Police units arrested citizen Jorge Enrique Salazar Madrigal, who is unemployed and whose conduct is antisocial. Salazar resides at No 7426 Street 29-C between 74 and 76 of Havana's Playa Municipality. Several complaints were filed against him at the PNR's [National Revolutionary Police] Fifth Municipal Unit for being the mastermind of strong-arm robberies. During these crimes, Salazar used a knife to threaten his victims while he took their digital watches. Most of the victims were minors.

The victims of Salazar's crime described the criminal's appearance to the police who then drew a sketch. The victims said the assailant was black, thin, tall, and had droopy eyelids. As soon as a composite sketch was ready, it was distributed to all sector chiefs in the municipality, as well as other comrades of the PNR.

It was the section chief of territory No 29 in Havana's Playa Municipality who intercepted Salazar on a public street. Upon being asked for his identification card, Salazar was not able to present one. He was then taken to the police unit where he was identified by the victims. Salazar then confessed to being responsible for the strong-arm robbery. He added that he sold the stolen watches to unknown people.

For now, Salazar is in a provisional prison until the police investigation is complete. The police are waiting for anyone else who was attacked by Salazar to step forward and file their complaint.

Grenada

Prime Minister Denies Possibility of Instability

FL2808161289 Bridgetown CANA in English 1345 GMT 28 Aug 89

St George's, Grenada, Aug 26, CANA—Grenada Prime Minister Herbert Blaize has rejected claims from political opponents that last Wednesday's prorogation of Parliament would result in confusion and instability in the country.

Acting Governor-General Sir Hudson Scipio issued the proclamation to suspend sittings of Parliament on the advice of Blaize who wanted to avoid a vote of no confidence which appeared certain to bring down his minority administration.

In his weekly address to the nation on Friday night, Blaize told Grenadians that the only effect the proclamation has is to put an end to meetings of Parliament for a "limited period" since it is not an act of dissolution.

He accused those who claim that the act of prorogation would lead confusion and instability in Grenada of either being ignorant of the Constitution or trying to mislead the electorate for their own selfish political gains.

"This is a normal feature in the life of Parliament which some conveniently prefer to forget", he said.

As a result of the move, Blaize is entitled under the Constitution to suspend parliamentary sittings for up to six months.

General elections, however, would have to be held by march for the latest.

Those who have been most critical of Blaize's "political coup" include opposition leader George Brizan and sacked Public Utilities Minister Dr Keith Mitchell who heads the New National Party (NNP).

Blaize told the nation that those who want to bring a vote of no confidence are still entitled to introduce the motion for debate during the next sitting of Parliament.

"There is therefore nothing to fear that such steps are dead or buried forever," he said.

Both the NDC [National Democratic Congress] and the NNP have filed no confidence motions in Parliament.

Blaize praised the Grenada Constitution for being one that protects the society from "the rantings and ravings of demagogs and rabble rousers ..."

He said that these people believe that they "are ordained to have executive power over the people of Grenada and its institutions."

The Grenadian leader was also critical of the many aspirants now trying to occupy the office of prime minister unlike 1984 when the island was in the midst of political uncertainty following a U.S.-led invasion one year earlier to put down a leftist junta.

He said that many of those now wanting the top job shied away from it then because the economy was in ruins and civil liberties had been eroded.

Apart from Blaize, there are at least six other political party leaders in Grenada.

Blaize claimed that many people are now after the prime minister's job because of the progress which the country has managed to achieve.

"The progress so far made has thus brought with it the problems we are now experiencing", he said.

"Many are now prepared to fight for the job because things are going good but... ran away when things were bad", he added.

Blaize indicated that he would only dissolve Parliament and call elections "at the time when I am satisfied by God's help that it is in the best interest of Grenada so to do."

Haiti

'Repression' Against Popular Groups Continues

FL2808195489 Port-au-Prince Radio Metropole in French 1045 GMT 24 Aug 89

[Excerpts] People's National Assembly [APN] militants are being arrested in Le Borgne. Some 14 APN members were arrested 2 days ago in this part of northern Haiti. The APN is demanding the release of these people arrested illegally as well as the release of three members of the Labadie Youth Movement [MJL] who were arrested last weekend.

The Confederation of Democratic Unity also criticizes the illegal detention of democratic organizations members, and calls for unity in order to put a stop to the wave of repression unleashed by the Prosper Avril government. [passage omitted]

Here is an APN leader at our microphone.

[Begin unidentified speaker recording, in Creole] [passage omitted] The Army is still militarily occupying the place [Champagne, communal section of Le Borgne], so everyone has fled.

We know they took the men and put them in jail in Le Borgne. According to information we received this morning, they have now moved them from Le Borgne to jail in Limbe.

One of these APN members, (Moliere Lamour), was severely beaten and is in terrible shape. These people have been in jail for more than 5 days.

We of the APN are doing everything we can to get the government to release these people as quickly (?as possible), because they have committed no crime. Nor has the government accused them of any crime! Thus, they should not have arrested these people, and especially not at night.

During the past 2 weeks, they have been arresting APN members in different parts of Haiti, especially in the north. We think this is a wave of intimidation and repression that the Avril government has unleashed against the popular organizations. The APN is not the only victim. We note that the MJL is also a victim. The Solidarity [With A View to a Movement of Small Haitian Peasant Farmers] recently suffered the same fate. [end recording]

In connection with the arrests in northern Haiti, Jean Claude Bajeux, head of the Ecumenical Center for Human Rights, says he is concerned about this situation which is particularly difficult for the National Committee of the Congress of Democratic Movements [Conacom] members in Plaisance, (Camp Coq), and Acul du Nord at a time when Conacom is in the midst of preparing its national congress, which is scheduled to be held next 17 September.

An (?arrest) warrant has been issued for Conacom's representative in Plaisance, Gabriel Francois, for having organized the party's [as heard] regional congress.

In a telegram Bajeux informs General Avril that two other Conacom officials, in Acul du Nord and (Camp Coq), (Philippe Gelin) and (Joseph Fordena) respectively, have been badgered and threatened—(?particularly Fordena)—by the area commanding officer.

These incidents, as well as the incidents that occurred in Labadie last 20 August, occur at an inopportune moment. We are trying to mobilize the population toward the next steps in the democratic transition.

Lastly, in his telegram, Bajeux writes: On the international level, these incidents can serve only to hinder your government's efforts to resolutely project a democratic image.

Establishment of New FOS-Affiliated Union

FL2808194889 Port-au-Prince Radio Metropole in French 1045 GMT 24 Aug 89

[Excerpts] The peasants of the Cul de Sac plain are powerless to combat the current drought despite having an irrigation office in the area.

Aware of the seriousness of the problem, the farmers and peasants of the area have joined forces and formed a union. This union will become active this afternoon at 1600, at (Cabane Yaya) [not further identified] in Croix des Bouquets.

Mr Saint-Louis, president of the Cul-de-Sac Plain Planters Union [Syndicat des Planteurs de la Plaine du Cul-de-Sac], which is affiliated with the Federation of Workers Trade Unions [FOS] explains what the union's objectives are.

[Begin Saint-Louis recording, in Creole] The union's principal objectives are to defend the planters' interests. We envision forming a cooperatives section, so that when we do development work we can plan better to get better production. [passage omitted]

I will tell you, frankly, that we are affiliated with FOS. FOS has led us to understand that it holds some trump cards with USAID, and that USAID offered it [rephrases] they are ready to finance any water catchments that it might need, conditionally, as per the instructions of the government of the Republic. Thus, they told us to do whatever need be, to hurry up and skip steps if necessary, so that they can help us build the Riviere Grise general catchment area. [end recording]

This is the second union formed in less than a week. [passage omitted]

Costa Rica

Church Mediating To End Strike in Limon

PA2308040189 Paris AFP in Spanish 2352 GMT 22 Aug 89

[Text] San Jose, 22 Aug (AFP)— A strike that has paralyzed the Port of Limon in Costa Rica's Atlantic region since Sunday at midnight today extended to schools, hospitals, the oil refinery, and other public agencies as well as some private enterprises.

The strike threatens to become the largest pressure movement since the Social Democratic government headed by President Oscar Arias was inaugurated in May 1986. It is promoted by the so-called Permanent Council for Study and Solution of Limon Problems [Consejo Permanente de Estudio y Solucion de los Problemas de Limon, CPESPL].

The CPESPL, made up of unions and community organizations in the Atlantic region, demands from the Central Government compliance with an extensive list of socioeconomic demands related to health, employment, education, security, and a wide range of problems that have made Limon the country's most backward province. The government's demand that the strike be lifted as a condition to begin the negotiations, and CPESPL's decision to continue it have blocked the possibililties for a negotiated solution to the conflict.

However, a proposal from the Catholic Church and other religious leaders in the region who have mediated in the conflict was described as "positive" by the strikers and is being analyzed by the government.

Although they admitted that "most of the demands are justified, the mediators said that some of them are beyond the government's real possibilities. [quotation marks as received]

The mediators also asked the government to begin the dialogue without demanding that the strike be lifted, which could be suspended 12 hours after the talks begin.

The government, which today received the support of the country's main business organizations, has admitted that there are problems in the Atlantic region that require urgent solutions.

However, it has accused the leaders of trying to "politicize" the movement with excessive demands to obtain an electoral advantage in the upcoming February elections.

Despite the current tension in the Atlantic region, there has been no violence. However, the police have doubled security at the docks, power facilities, railroads, the Costa Rican Oil Refinery (RECOPE), and other strategic points.

RECOPE, a state-run enterprise that monopolizes the production and distribution of oil by-products has assured that it has enough reserves to guarantee the country's fuel supplies for 1 month.

Meanwhile, the Labor Court in Limon declared the strike conducted by workers of the Atlantic Coast Port Administration and Economic Development Board [Junta de Administracion Portuaria y Desarrollo Economico de la Vertiente Atlantica] illegal. This decision must be ratified by a higher court before that public agency can dismiss workers without any responsibility.

The government has requested that strikes in other government agencies also be declared illegal.

However, Adalberto Fonseca, a union leader in the area, has said that "the strike will continue and we will only negotiate as a strike movement." He played down the court's decision, stating that in Costa Rica "strikes have never been legal."

Immigration Director Arrested for 'Irregularites'

PA2808161889 San Jose LA REPUBLICA in Spanish 17 Aug 89 p 12-A

[Report by Boris Andres Ramirez]

[Excerpts] The police have arrested Carlos Arce Lopez, head of the Immigration and Aliens Directorate, who is suspected of committing wrongdoing in granting visas to foreigners.

They also arrested Ana Isabel Ramirez Rodriguez, Arce's secretary, and Rodolfo Madriz Mora, who are also suspected of being involved in these irregularities. All of them are being held incommunicado under the orders of the San Jose Second Investigative Court.

Judicial sources said these officials are charged with bribery, forgery, and misrepresentation.

For the past 3 months, agents of the Judicial Investigation Agency (OIJ) have been investigating the irregularities that the arrested officials are suspected of having committed when they granted visas to Central Americans, Orientals and Iranians.

With the investigation nearly completed, the authorities confirmed there were sufficient grounds to suspect that both Arce and his subordinates are responsible for irregularities in the granting of visas.

Several visas were apparently granted in an irregular manner because the establish steps were not followed. It is also suspected that the officials received bribes when they granted such visas. [passage omitted]

As a result of the investigations, the Government Ministry ordered a 30-day temporary suspension for Arce Lopez and other officials while the case continues.

Deputy Government Minister Ines Leon will be in charge of the Immigration and Aliens Directorate during this period.

Government Minister Antonio Alvarez Desanti went to the OIJ offices when he learned of Arce Lopez' arrest and he told OIJ Deputy Director Rafael Angel Guillen that he would cooperate in any way.

El Salvador

Government To Form Dialogue Commission

PA2808223889 San Salvador Radio Cadena YSU in Spanish 1800 GMT 28 Aug 89

[Text] Salvadoran President Alfredo Cristiani said at a news conference today that this week the government will form the commission that will hold a dialogue with the Farabundo Marti National Liberation Front [FMLN]. Cristiani said that the Legislative Assembly and Supreme Court have been asked to propose the names of possible dialogue commission members. Cristiani expressed optimism that the dialogue-negotiation will be initiated soon.

[Begin Cristiani recording] This week a government commission will be formed. It will include three individuals directly from the government. I have also asked the Legislative Assembly to propose names, not of individuals to represent the Legislative Branch but rather of individuals who, in the opinion of the factions represented in the Assembly, will make a good showing on a commission of this nature. I have asked the Supreme Court to do the same.

I have adopted this decision in order to avoid criticism from the internal opposition over the designation of certain qualified individuals; in short, I am trying to reach a consensus regarding the dialogue process. I believe this is gradually being achieved, thank God.

I repeat, on a personal level I am optimistic that within the short term we will be able to initiate the process. [end recording]

The Salvadoran president also emphasized that he sees no need for his participation in the dialogue commission that will talk with the guerrillas to end 9 years of war that has claimed over 70,000 victims.

Regarding the maimed FMLN fighters who have been based at the Metropolitan Cathedral for the past 9 days, Cristiani said that Msgr Arturo Rivera y Damas will meet with the guerrillas in Mexico this week in an effort to hasten the process that will allow over 100 former FMLN fighters to leave the country. Cristiani has described this as a political gesture by his government.

Official Says FMLN 'Intensifying' Mass Actions

PA2908034989 San Salvador EL MUNDO in Spanish 25 Aug 89 p 3

[Text] During a news conference held yesterday, Colonel Juan Orlando Zepeda, vice minister of defense, reported that the government, the Armed Forces, and the Salvadoran people are determined to confront the communist aggression of the FMLN [Farabundo Marti National Liberation Front]. Col Zepeda said that neither the nation nor the members of the Armed Forces have ever felt any frustration in the face of the prolonged war of the extreme left.

He assured that the FMLN is intensifying the manipulation of the organization of the masses, such as the UNTS [National Union of Salvadoran Workers] to avail itself of the national crisis and try to create conditions favorable for rebellion. He also pointed out that "toward this effect, the UNOC [National Peasant-Worker Unity] might commit the worst error in its history in seeking an alliance with the FMLN, because if, although it now has a certain margin of independence and autonomy, it will later depend on the other's orders and will become just another front organization."

When referring to the alliances, Col Zepeda brought up "what had happened to the PCN [National Conciliation Party] and the Democratic Convergence [CD], who currently depend on what is being given to them and say what they are told by the manipulators of the left—they are left without any real autonomy." With regard to the CD, the vice minister said it would have been "great if [CD former presidential candidate Guillermo Manuel] Ungo had obtained more votes in past elecions. Now, as I have said, he is playing the wrong game and this is why the people are rejecting him as they reject communism. The people do not make mistakes. They do not want communism or communists. The people want liberty and democracy."

Col Zepeda insisted that "mass organizations are saying that in El Salvador there is repression. By doing this they are trying to conceal the fact that their activities are not designed to secure better conditions for the people. Their activities are basically of a political nature and are designed to subvert constitutional order; the Armed Forces are not going to permit that." Zepeda said that "the promotion of class struggle and subversion, demands for the release of political prisoners, and street provocations are not movements to secure better conditions." "The arrest of a person who breaks the law to take him to court is not repression," he noted.

Col Zepeda stated: "Unfortunately, the country's judicial organizations have few legal tools to process and punish these people. This is why they get prompt release and can renew their terrorist activities. What those who have been captured for terrorist and subversive activities do not know, however, is that their arrests go on their records, that this leaves them morally and socially downgraded, that they will always have this stain, and that the Armed Forces report on them to the rest of the world, because the law here is too soft and because these elements like to go around saying that they are innocent people who are being unjustly persecuted. The truth is that justices are afraid of applying the law to themselves—subversive elements threaten and kill and on occasions bribe justices. This kind of situation helps the terrorists."

Zepeda also stated: "A close analysis would make evident that there has been no en masse incorporation to the FMLN. The FMLN will never achieve that because it would have to spend the millions that those who direct its operations want."

Communique Supports Cathedral Occupation

PA2808180689 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 28 Aug 89

[Communique issued by the Farabundo Marti National Liberation Front General Command on 26 August]

[Text] 1. On Sunday 20 August, eight FMLN [Farabundo Marti National Liberation Front] disabled war comrades occupied the [San Salvador Metropolitan] Cathedral, where they still remain to protest the violations by the ARENA [Nationalist Republican Alliance] government of international law as well as noncompliance to the commitments made when the release and exchange of Colonel [Omar Napoleon] Avalos was negotiated in Panama [in 1987].

2. The FMLN General Command greets the disabled comrades and congratulates them on demanding that they be allowed to leave the country and obtain adequate medical attention. The FMLN General Command also calls on the Salvadoran people and the international community to offer solidarity and support for the just demands of the war disabled. We recognize and encourage the humanitarian assistance that Msgr Arturo Rivera y Damas is giving in finding a just solution to this problem despite the government hindering his work as a mediator in solving the conflict.

3. On several occasions, the Armed Forces has assaulted FMLN hospitals, captured, tortured, and murdered medical staff and patients. Also, they have captured, tortured, and murdered disabled persons in various circumstances. This behavior is in sharp contrast with the FMLN's strict respect for the hospitals, medical staff, as well as the Armed Forces' disabled and wounded personnel, although they are vulnerable targets of our actions. The FMLN General Command reiterates this policy of principles and demands the same behavior from the Armed Forces.

4. Following the occupation of the cathedral by the disabled, [President Alfredo] Cristiani is trying to make the case an object of negotiation, demanding certain actions of the FMLN. This attitude by the ARENA government might make the problem more complex and make us revert to circumstances we had already surpassed. The departure from the country of the disabled is a right that the government should respect, and this cannot be considered an issue that can be used for negotiations or blackmail.

We are sure that this just demand which has led the disabled comrades to stay at the cathedral until they and their comrades can leave the country will be supported by all of our people, while international solidarity will leave it clearly established that Cristiani, ARENA, and the Armed Forces are acting in an unjust and incorrect manner. [signed] FMLN General Command, 26 August 1989.

Rebel Radios Report Honduran Army Incursion

Says Azcona Violates Tela Accord

PA2608002689 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2328 GMT 25 Aug 89

[Text] Salvadoran people, this is Radio Farabundo Marti reporting a new Honduran Army raid into Salvadoran territory. We also alert the Honduran people and the Central American community to this incursion. Honduran President Jose Azcona Hoyo has violated the Tela agreements.

At 1400 on 24 August, a Honduran Army patrol entered 3 km inside Salvadoran territory at El Mono hamlet in Nahuaterique jurisdiction, Morazan Department. A few days ago, other Salvadoran Army patrols entered Las Aradas hamlet in Nahuaterique. We remind you that in the past few days we have been reporting these raids by Honduran troops in Las Filas border area in western Chalatenango Department. There have also been raids in Arcatao, where Honduran troops have ransacked schools, threatened teachers, repressed area residents, set fires, stole villagers' property, and kidnapped some citizens.

We repeat our warning to the Honduran troops, especially to the Honduran Army high command and Government. We will not permit more raids and outrages against civilians in our territory. [words indistinct] Our units will attack the Honduran troops. Azcona Hoyo, you have been warned. We urge the Honduran people to take action and demand respect for Salvadoran sovereignty because this meddling by the Honduran Army and [words indistinct] in our conflict is our concern [words indistinct]. Honduran troops, in complicity with the Salvadoran Army, carry out all sorts of outrages.

FMLN Communique Issued

PA2808013789 (Clandestine) Radio Venceremos in Spanish to El Salvador 0055 GMT 28 Aug 89

[Communique issued by the Farabundo Marti National Liberation Front (FMLN) in El Salvador on 27 August—read by station announcer]

[Text] The FMLN reports the following to the international community, our people, and the Honduran people:

1. On Saturday, 26 August, special Honduran Air Force troops armed with M-16 rifles, M-60 machingunes, and M-62 rocket launchers took positions in Salvadoran territory in the following places: Nahuaterique, Puente de Piedra, and Palo Blanco in northern Morazan Department.

2. The troops' permanence in Salvadoran territory, troops that went as far as 3 to 10 kilometers inside El Salvador, is part of a plan to provoke clashes with our forces and create military and political incidents along the border to hinder peace efforts in Central America.

3. Our attitude in previous incidents has been one of patience, however, a prolonged permanence in our territory is unacceptable.

4. Therefore, we make the commander of the unit occupying positions in our territory and the top Honduran Army command responsible for any casualties that Honduran forces may sustain in our territory.

5. We issue a call to international organizations and Honduran democratic sectors to urge the Honduran Government and Armed Forces not to meddle in the Salvadoran conflict.

[dated] 27 August 1989, El Salvador

Guatemala

President Cerezo Announces New Economic Plan

Private Sector Boycotts Meeting

PA2508222489 Paris AFP in Spanish 2023 GMT 25 Aug 89

[Text] Guatemala City, 25 Aug (AFP)—President Vinicio Cerezo today announced a new economic plan called the 500-Day Program. The plan's aim is to "renew government efforts to consolidate Guatemalan democracy."

The ceremony at which President Cerezo announced the new plan was held at the presidential palace at noon today. Representatives of the Guatemalan private sector did not attend the meeting as a sign of protest "for the government's incapacity to guarantee the safety of the Guatemalan population."

In the last few days, the country has been shaken by a wave of abductions and crimes carried out by death squads against student leaders. On 24 August, Industrial Bank President Ramiro Castillo Love was killed by unidentified men.

The 500-Day Program establishes the need to increase the efficiency of the tax collection system, a 10-percent reduction of public expenditures this year, and a wage increase for public employees.

In addition, the program contains plans to open stores that will sell staple items at a low cost and will seek price stability.

A high-ranking government official told AFP that "We are having many problems regarding tax collection, especially regarding the collection of land taxes. We have also discovered that large companies are evading tax payments to a very large extent."

Similarly, official sources indicated that the attitude adopted by the private sector could also be caused by its disagreements with some aspects contained in the new economic plan, which also establishes a "reorganization of the financial system." The sources, however, did not elaborate on this matter.

The program of President Cerezo, whose presidential term ends in January 1991, also intends "to limit foreign exchange flight through temporary administrative measures and the implementation of a competitive exchange rate" of the quetzal.

The last quetzal devaluation was implemented on 18 August when the Monetary Board devaluated the quetzal from 2.70 quetzals per U.S. dollar to 2.78 quetzals per U.S. dollar.

The plan states that the government will continue "modernizing the Guatemalan airline Aviateca and improving the efficiency of the telecommunications system" with help from the private sector.

The plan indicates: "Although we have made significant progress, the Guatemalan population still has unfulfilled expectations regarding employment and better wages and income while our economic growth has not had the expected results."

In the new plan the government, however, stresses the "great achievements obtained during the last 3 and ½ years" including "the creation of the necessary stability to pursue economic recovery, political pluralism, the building of the foundations for a national development, and the strengthening of government institutions."

According to the plan, the country's economy will grow by 4 percent in real terms next year.

The plan, however, stresses that the government's efforts have been blocked by "an increasing number of attempts to destabilize it carried out by minority groups and extremists, who have taken advantage of social movements with the intention of hindering the democratization process."

Cerezo's government has overcome two attempted coups; one in May 1988 and one in May 1989.

According to the new plan, "political violence as an instrument to attain power has disappeared, but there have been cases of political violence promoted by radical groups."

Outlines '500-Day Plan'

PA2708132989 Guatemala City Domestic Service in Spanish 1901 GMT 25 Aug 89

[Speech by President Vinicio Cerezo Arevalo; place not given—live, broadcast in progress]

[Text] ... on 14 January 1991 the country will continue to progress, and we will initiate a modernization process so that by the year 2000 we will be able to say that

Guatemala is no longer a Third World underdeveloped country, that it has joined the more developed societies to satisfy the basic needs and interests of the people. [applause]

To know how much we have advanced, we must first remember the situation when we assumed control of the Guatemalan Government in 1986. It is very important to remember the past. I have repeated this many times. A German historian once said that he who forgets the past is condemned to repeat it. Therefore, let us recall some things that are important. In 1986 our country faced a chaotic economic situation. All of you are aware of these characteristics, and the international institutions specifically recall them, as such institutions do not very easily forget what happened in Guatemala in 1985.

The quetzal was in the process of devaluation. At the time, it was estimated that our currency might drop and reach an exchange rate of 9 quetzals to a dollar if we continued. Inflation was something unknown to Guatemalans. Production was at a standstill, and the growth of the gross national production had dropped to a point where we were reaching minus 2 percent growth. In other words, the population was growing faster while production was constantly dropping. This was evident in two specific signs—unemployment and a lack of supplies. It was difficult for us to find things to meet our permanent needs. It was even difficult to find gasoline in filling stations because there was no foreign currency to pay for petroleum. Products were also scarce at supermarkets, and it was practically impossible to export goods. It was easier to make purchases in U.S. cities near the Central American area.

In the political aspect, there was a general lack of confidence. That is the truth. The electoral fraud that had been committed over all of these years had definitely created an atmosphere of political distrust. This, of course, entailed an attitude of electoral distrust. The people had lost all possibilities and willingness to struggle for a specific ideology. It had become a matter of trying to make settlements with spurious governments to share somewhat the illegitimate power they had at the time. We then entered an ideological crisis. Some groups remained firm to their democratic ideals, while others wrongly chose the path of armed struggle to solve and change Guatemalan society. They kept open the possibility of finding some sort of a solution to our problems at the time.

Thank God lovers of democracy, peaceful movements, and conciliation prevailed at that time. The process to open up democracy, which began with the military government of General Mejia Vitores, allowed Guatemala to hold the first three free elections in our history in 20 years without any type of [word indistinct].

In addition, there was indiscriminate violence. To solve the problem of generalized subversion and to maintain illegitimate economic and political privileges, violence became a generalized situation, as well. Political and social murders were frequent, daily events in Guatemala. Some foreign magazines and some foreign human rights organizations stated that approximately 50 Guatemalans were killed everyday. People would be murdered, abducted, or declared missing simply because they had political ideas that dissented from those of the regime in power at the time. That process of generalized violence stopped in 1982 when the end of an illegimate system allowed a democratic opening in the country. Another phase had definitively begun. What is happening right now in Guatemala—the murders of distinguished citizens, of highly democratic politicians, and of student leaders—allows us to assert that unpleasant aftertastes of past times continue to exist in Guatemala. Remnants of old attitudes are the obstacles that our democratic and economic development processes are presently facing.

We can mention for example the two attempts to destabilize constitutional order in the country. What do those attempts mean for the country? They mean that conservative and traditional political groups, which lost the past elections, are trying to drag us back to the past. They have tried to go back to the past using the classic and orthodox method of the attempted coup.

We believe that some of those groups are involved in terrorist actions to create a climate of instability and anguish in the nation. Those groups have tried to create possibilities to return to the past to again enjoy political privilege simply because they believe they are entitled to such privilege. Those groups are remants of the past that want to destroy our institutional process and take us back to a tragedy that most Guatemalans want to forget.

There is still armed subversion. There are still groups of people who continue to believe that, because of their ideology, they have a right to maintain Guatemala in a climate of confrontation, polarization, and violence. By means of force and while rejecting the legitimate and sensitive attitude of the Guatemalan people—who confirmed their will for peace—those groups want to create a revolutionary atmosphere that would lead an ideological minority to power. That minority would lack the legitimacy granted by the Guatemalan people's will. None of those groups have a right to impose confrontation and polarization on the Guatemalan people. We rejected that confrontation and polarization in the 1985 elections.

Therefore, at this moment, we are also going to demand that the people's will be respected. The people chose the peaceful, legal, and political way, not confrontation, to solve our problems. Unfortunately, there are still some who have a terrorist attitude. They are against the idea of living in a democratic system. The terrorists, and it is appropriate that I should bring this up today, are attempting to force the democratic society to yield; they are trying to create confrontation, polarization, and mistrust. With the use of terrorism, they are trying to get the government to resort to the old practice of repression. I have been approached by several persons who have told me that the government should act strongly

and use force to fight terrorism. However, I have told these persons that the government must enforce the law and abide by the law. It would be very easy to give in to temptation and resort to the mechanisms of the past to fight terrorism. We could create groups to fight the terrorists, but later these same groups will take to crime and use the power they were given to harm us. Therefore, we must be very careful; we must not allow ourselves to despair and fall prey to the desire to fight terrorism with terrorism. That is what the terrorists would like us to do.

The terrorists want to divide us; they want to take us back to the days when mistrust prevailed; they want the government to break with the democratic institution and once again become polarized and be a victim of a confrontation. However terrorists are definitely remnants of the past; remnants of a life we want to forget. Terrorism, in particular, has caused situations like the ones I mentioned earlier in the speech. This has been done to create mistrust among us, make us reject national dignity, and make us the victims of terrorism.

Today, and for reasons we strongly (?deplore), we must regret that some important sectors of the Guatemalan community have turned their backs on us. We hope their actions are the result of (?tension), if not, we are falling into the trap that terrorism has set for the Guatemalan people. If they divide us, we are lost; if they create mistrust, we are lost; if they cause confrontation, then we will be condemning democratic society to extinction and we will lose the stability that is essential for economic development. In light of a situation of this nature that many Guatemalans thought was already part of the past, we ask ourselves: How must we confront the future?

We have lived 3 years of relative calm and peace. Some of us had begun to believe that democracy had been consolidated forever in Guatemala. Some of us believed that those persons who had been involved in violence and extreme polarization had been buried forever, that they had, perhaps, chosen to join the nation's political and democratic processes. At this moment, a moment we believed would be special because the labor demands some sectors felt were fair were being negotiated, we once again find ourselves confronting acts of terrorism. Elections are not too far away. Perhaps with their actions they are trying to make the people mistrust the democratic process, mistrust the democratic system. Perhaps they hope that the people will despair and choose to return to the past and relive the past 100 years of Guatemala's genocidal history. I would like to say that the government will confront this situation with a specific plan.

First, we must reject polarization and violence. As president of the country, I call on all sectors of the country to unite against terrorism. Political discussions are put aside when terrorism shows up in civilized countries of the world. Election discussions are put aside. Individual interests are put aside and the people unite to demonstrate that a civilized country interested in building true democracy rejects terrorism.

There is no government in the world that can fight terrorism without the cooperation of the people in general. We must defend peace, freedom, and tranquility in Guatemala. Occasionally, we have found people who say that they are afraid of reporting terrorists because they might be attacked. This situation must change. The government of the country accepts the challenge of terrorism. Let us demonstrate that democracy is capable of defending itself against it.

To be successful in the short term, we definitely need the cooperation of each and every one of the Guatemalan people. We need the information, we need people to reject terrorism, and most of all, we need all Guatemalans to have faith in the road we chose in 1985. We have to demonstrate that we want peace, law, and national unity. We have to demonstrate that we reject violence, intolerance, and polarization. We definitely reject terrorism because terrorism chooses its victims. It chooses the best people from society. The most honest, intelligent people become victims of terrorists, who want us to react with the fear and anguish that leads us to violence and general disorder.

The second type of attitude we must adopt is to say no to the past. The past made us victims of confrontation. Many of us had to cry for our friends and relatives. We were sad to see Guatemala being destroyed by a climate of violence. We do not want to return to the past. We say no to those who want to blackmail the democratic process. They believe we must reject violence with violence. We believe we must reject violence and put it under control through the mechanisms of law and democracy, but to achieve this we need the people's cooperation. We need them to definitely say no to the past.

In the area of economics, we were victims of low production and shortages. The lack of supplies and shortages led us to violence. Since there was no investment, people engaged in speculation. There are still people involved in these types of activities. There are still people spreading rumors that lead to a lack of trust in the economic situation of the country, as if over the past 3 years the Guatemalan Government, especially the Guatemalan people, have not shown signs of their capacity to recover and to increase production for all Guatemalans who want to live in peace in our country. Therefore, just as we reject violence and just as we say no to the past, we must also reject speculation and adopt productive attitudes to implement a process that can increase our wealth and that can allow for the participation of the Guatemalan people.

That is the goal of Guatemala-2000. When you read the document, you will find no surprises. You will find specific processes that can make Guatemala modern.

The 500-Day Action Plan is the beginning of the activities specifically designed to promote and strengthen the two motors of development. One thing I can tell you

today, Guatemala is ours, and we must forge a Guatemala according to our needs and our aspirations. Once you have read the 500-Day Plan you will see that it is really what the government has been doing for the past 3 years—promoting and strengthening the two motors of development.

The first motor will increase our production capacity and promote export activities. That is very clear. We want to diversify our exports and our markets. We do not want to depend on a few basic export products, even though we will continue to produce them in large amounts, nor do we want to depend on a few markets. We want to sell more products in more markets to get more foreign exchange and promote internal growth, which is the basis for development.

In the past, there were times when it was felt that it was enough to promote export activities even if this represented accumulating a debt at the expense of the interior of the country. The interior of the country was left without basic services, education, health, and possibilities of integrating that area into Guatemala's development. We cannot think about expanding outward while overlooking the development of our interior. Step by step, we must satisfy the basic needs of the people. We must build roads and at the same time promote export activities, free zones, and foreign investments in Guatemala. Building a small bridge must be done at the same time that our telephone system is modernized. The creation of an ultramodern communications system must be done at the same time that the education system in the interior of the country is modernized. If we do not integrate the people in the rural areas to our country's economic life, we will never be able to break the vicious cycle we have been experiencing for years—the vicious cycle of poverty, the accumulation of wealth by a few, and fewer opportunities for most of the people. Mechanisms like the creation of lines of credit to increase the number of export products and the creation of free zones to promote foreign investments must be promoted at the same time that a social and [word indistinct] investment fund is created to help the Guatemalans in rural areas to provide for themselves. However, the development of this 500-Day Plan is not based strictly on government actions; quite the contrary.

At this time, I wish to remind you of something Konrad Adenauer once said: The basic purpose of every participatory democracy is to make the strongest citizen [words indistinct], the weakest state in history. This means that the purpose must be proportionally the other way around—a state that must increase efficiency and decrease its size, and a citizen who must increase his participation and develop to better participate in the tasks to satisfy his own needs.

Privatization processes, solving specific problems, improving the telephone network, plans to modernize the communications system, and speeding up the state's decisionmaking procedures, are some of the matters to be broached and which you will find included in the 500-Day Plan. Only by creating these mechanisms will future governments be able to speed up the development process.

There is one detail we must not overlook, a problem Guatemala has been experiencing lately. Modernization and our country's economic growth are not advancing at the same rate. Over these past 3 years, in addition to carrying out a series of activities to benefit rural areas and promoting three economic plans to achieve stability and establish the basis for an economic recovery, the government studied mechanisms to speed up the country's economic modernization process. I want to give you an example of this:

We had a plan to modernize the telephone network. To implement the plan we had to overcome several obstacles. [Words indistinct] the plan called for laying lines over a 10-year period. Previous plans called for granting loans when the first line was laid. This is how GUATEL [Guatemalan Telecommunications Enterprise] was able to lay the approximately 129,000 lines it had. Over 3 years, we made a big effort to accelerate this mechanism and promote the modernization of the infrastructure. Despite this effort, during the 3 years we were only able to lay 109,000 lines. We did speed up the process, but we are still facing problems because of Guatemala's rapid growth. If Guatemala were the Guatemala of the 1940's, when very few telephone lines were needed, we would have been able to meet the country's demands; but we modernized, reactivated, and promoted the country's growth, and now the demand is for 200,000 new lines throughout the nation.

The economic problem was yet another problem we had to overcome. The government needed 800 million quetzals to lay those 200,000 telephone lines needed to meet the demand. However, the government did not have that money, and requesting a loan from an international institution was a very slow process. In the long run, we would be facing the same problem because laying the entire network of lines would not be completed until 1999. [passage indistinct]

A plan has been drafted, and it will be presented to the congress and the political and business sectors. The plan includes the names of the telephone companies that have worked in Guatemala and that have [words indistinct]. If this plan works and we have the support of various sectors of the Guatemalan people, 50 percent of the lines needed will be laid by next year, and the remaining 50 percent will be laid by 1991, a year after the new government assumes power. This would be done without disbursement on the part of the government and by reaching an agreement with the business sector to accelerate the process of [words indistinct].

In the 500-Day Plan you are going to find a series of actions of this kind; a series of macroeconomic policies and [word indistinct] that are the result of some decisions adopted by the Monetary Junta. These policies will be strongly linked to the economic system's growth

capacity because [words indistinct] specific needs of Guatemala. These macroeconomic policies will be strongly linked to a social plan. We cannot have economic growth without maintaining the people's purchasing power. The only way to promote internal development and the local markets is to match real wages to Guatemalan economic growth.

The past 3 years were used to study the legal and financial mechanisms that would allow us to speed up the process. We are beginning to see the results now with the various processes of privatization. We did this with AVIATECA [Guatemalan Airline Enterprise]; we are beginning to work on modernizing the telephone system—a plan that is practically ready to be implemented. We are also working on the [word indistinct] plan, and we have plans for several big national enterprises that we inherited from past governments and which have been a load for the government. These enterprises must be turned into investments to create job sources and to help expand Guatemala's economic system.

Dear friends, in this plan you will find three basic attitudes: The first is an active attitude in view of the future. We do not believe a government should feel that its work is over when its term in office is coming to an end; quite the contrary. The work of a government ends the day the new government, chosen by the people, assumes power, but we are not going to stop working. We are going to continue to work to boost Guatemala in such a way that the transition period between the old and new governments will neither stop the nation's economic growth and development nor its institutional development.

Second, we are thinking about the future, but not just for campaign purposes. In the next budget we will submit, you will see that we are breaking with tradition somewhat. In the past, the election year budget was always larger. This was necessary to cover campaign needs. On this occasion, this will not be the case. Next year's budget will be much lower than previous budgets. We are going to try to convince the people of Guatemala by being efficient, not by [words indistinct] and useless spending for purely electoral purposes. Ours will be an attitude of national responsibility.

Third, the 500-Day Plan calls for greater efforts to make the national development plan a plan of permanent continuity. A plan that will not be interrupted whenever there is a change in government, a change in ideology, or decisions that (?differ) from those of the Guatemalan people. We want to begin a process of continuity. There is no country in the world where development has been possible in the short term. There can be no institutional, economic, or political development in the short term. These processes take time. They require stability, maturity, study, and particularly involvement. I will expand on this later. We must make the Guatemalan people aware that we are not (?asking) for 5-year periods. We need time to develop the nation. To say that Guatemala [words indistinct] does not mean that we are [words indistinct]. The idea is promote an attitude. If we want real economic, political, and social development, we must look to the future. We must know that what we do today will be our contribution to the final goal, which will be achieved in the long term. Democracy can work for the Guatemalan people, however, it can only consolidate its social and economic objectives in the long term. To do this, we must commit ourselves to Guatemala's future and not let ourselves be defeated, because we do not know or trust our own capacity and the capacity of the Guatemalan people.

These 3 years have been different. We have made mistakes and have also taken positive actions. From strictly economic or social viewpoints of the country's interior, we should admit that we have succeeded in achieving some of the objectives we set before us when I assumed office as president in 1986. We stabilized our currency and economy as much as possible and are in the process of breaking with some traditional economic stances. Not only have we created a climate of trust in government actions, but have fanned hope in the democratic process that prepared conditions for more thorough education. We lowered the level of unemployment, increased benefits for the people of the country, and did other things. Guatemala's usual isolation was abolished.

However, we have also encountered obstacles that hamper our efforts to correct our social ills. We have had great difficulty controlling traditional corruption in some government sectors. It is still a challenge. We have demonstrated our efforts and determination to eliminate this problem. Also, we have not succeeded in educating the public administration to rapidly meet the demands of a society on its way to the future. We have reached the conclusion that we will require more time, so that the processes we have worked out can truly achieve the results we desire.

We are still encountering (?security) problems. The institution of security, which had been useful for previous governments and did not necessarily abide by the law or operate within the framework of democracy, was not useful or flexible enough to adapt itself to a legal system. We had to move forward in this adaptation more rapidly. The government has already made this decision. Security requires money and involves a particular stance. Security implies political firmness and a determination to implement it within the mechanisms established by the Constitution and bylaws. I can assure you that, as I told you at the beginning of this speech, the democratic state has taken up the challenge and will demonstrate that this (?security) problem can be tackled within the law. We will request assistance from the international community and all the democratic nations of the world. We will willingly listen to suggestions and receive assistance from all sectors of Guatemalan society to confront one of the most serious challenges—to hold in check the enemies of peace, liberty, and democracy.

Dear friends, you will be introduced to two documents today. One includes the economic development plan. This plan will be implemented step by step [words

indistinct]. The other document is called Guatemala-2000, a little description of the future. These documents, which will be released today, will be open to discussion by all sectors. We would like to listen to suggestions. The documents outline both the general objectives and specific activities the government will carry out. Someone asked me: Are you aware that you are, in reality, showing your cards to the opposition, so that in the electoral process they can criticize what was and was not done? I told this person: This is a process to be executed by (?action). If we say we will do something, it is because we can do it.

If the opposition is quoting from this document to make us reconsider and to start another kind of debate in Guatemala as to what is done and what is not done to benefit the Guatemalan people, then it will mature, it will learn, it will forget cheap electoral attitudes, and it will adopt a serious attitude that will lead to constructive criticism and to the edification of the nation, not only by the government, but by all the Guatemalan people.

The document seeks to point out something very important. In Guatemala there is an easy way to avoid responsibility—whenever there is a problem, blame the government. The government has been blamed even for the foiled coups d'etat in May this year and last year. Some people said: The government is to blame for having become a friend of institutional [words indistinct].

This is a way to elude collective responsibility. The government is partially responsible and deserves some of the blame, especially in the fields of basic public services. However there is collective responsibility, because if the various sectors do not fulfill their functions, society will disintegrate and the government would not be able to make the country produce—the situation the enemies of democracy want to create.

Democracy is pluralism. There cannot be democracy if there is no pluralism, but democracy is also unity. Pluralism is permitted so that people with different ideas may participate in the search for well-being.

The documents point out objectives that could be described as important to having the Guatemalan people accept these objectives as their own so that national objectives are not viewed just as goals of the government and the governing party. Security and economic development benefit us all. Lacking them will hurt us all.

We want to work united based on specific policies that would permit the aggrandizement of the nation regardless of the party to which I may belong, because it is important that Guatemala be a great and proud nation able to satisfy the basic needs of the people.

Differences are not important when we are part of a nation that is a source of pride for us all. This is what we are trying to promote—a collective feeling of responsibility to push the nation forward, unity to tackle fundamental objectives, and a peaceful discussion of specific proposals, some of which should receive the support of all Guatemalan sectors.

For this reason, my friends, I invite you to read this document carefully. The government is placing in your hands its action program. You can cooperate. You may criticize us, propose changes, and state your positions. To do this, you must have a basic attitude of participating in the analysis of the documents.

In these documents you will find the subjects that will be discussed and analyzed, the subjects that could be the basis of agreements to push the nation forward.

This is basic. I ratify my position on what has been happening over the past few days. I ratify the democratic government's decision to accept the challenge of promoting stability and security for the nation with the cooperation of the people. I ratify my invitation to struggle united against terrorism, against speculation, and against opportunism.

I want these two documents to serve as an invitation to renew our faith in us Guatemalans and in Guatemala, because we are a proud people, and we are the only resource we can count on to make Guatemala a great nation. [applause]

Government Blamed for Wave of Violence

PA2808140289 Paris AFP in Spanish 2114 GMT 25 Aug 89

[Text] Guatemala City, 25 Aug—The kidnapping of five university students and the murder of a prominent businessman in Guatemala City this week shook the country and unleashed a wave of criticism against the Vinicio Cerezo administration because of what critics called "its inability to provide security to citizens."

Some of the newspaper headlines today were: "Ramiro Castillo's Murder Condemned," "Crime Against Businessman Causes General Indignation," "Deputies Ask for End to Violence," "The Bloodbath Must Stop," and "Call for Government Minister's Resignation."

The five university students who disappeared this week are Victor Hugo Rodriguez Jaramillo, his wife, Silvia Maria Azurdia Utrera, Ivan Ernesto Gonzalez Fuentes, Carlos Conde, and Hugo Gramajo.

The Human Rights Commission of the National Dialogue, which emerged from the Esquipulas peace agreement, expressed its concern today over the latest violence which, it said, is evidence of the violation of human rights in the country.

The committee asked that the lives of the kidnap victims be respected and it added that some of them were "arrested by the security forces in the capital and the country's interior."

Ramiro Castillo, the president of the Banco Industrial and one of the most prominent Guatemalan businessmen, was shot to death on 24 August by a group of armed men who entered his house in Santa Catarian Pinula, 30 km southwest of the capital.

The authorities said he was killed when he tried to prevent a theft from occurring in his house but sources close to the family ruled out that possibility.

One of Castillo's children, 23-year-old Ramiro, was also wounded in the incident.

Castillo's murder caused anger, especially in the private enterprise sector.

The Coordinating Committee of Farming, Commercial, Industrial, and Financial Associations (CACIF), which houses the private sector organizations, blamed the Cerezo administration and especially the security forces "for their inability to provide security to citizens, and it asked for government Minister Roberto Valle Baldizan's resignation because "he has obviously been incompetent in doing his job."

Rebel Attack Results in Partial Blackout

PA2808195989 Buenos Aires REUTER in Spanish 1930 GMT 28 Aug 89

[Text] Guatemala City, 28 Aug (REUTER)—Police sources have stated that early this morning Guatemalan leftist guerrillas blew up a power tower and left a large part of the country without electricity.

The tower, located 27 km from Guatemala City on the road to the Atlantic coast, was half destroyed after the guerrilla commandos blew it up with a dynamite charge.

The power company reported that the power tower transmitted electricity from Chixoy, the country's largest hydroelectric plant.

Chixoy Hydroelectric Plant sources stated that a large part of the country was left without energy, although they did not say which specific regions, cities, and towns were affected by the outage.

Sources of the hydroelectric plant said that teams of workers were sent to the site of the attack to begin the repair works, which could be completed today.

Nicaragua

Ministry Reports Arrest of U.S., UK Fishermen

PA2908012389 Buenos Aires REUTER in Spanish 0050 GMT 29 Aug 89

[Text] Managua, 28 Aug (REUTER)—The Interior Ministry has reported that seven U.S. and two UK fishermen were imprisoned in Nicaragua after the Navy seized two boats fishing in jurisdictional waters.

The Nicaraguan Coast Guard seized the two U.S. boats, "Pete's *Dream*" and "Pescadores," on 23 August, while fishing 30 km southeast of Corn Island, on the Atlantic, the source said.

According to the ministry spokesman, the crew members arrested aboard "Pete's Dream" are the boat's captain, Peter Leo Rathey; the cook, Patricia Cornell; and boatmen Jimmie Lee Wynn, Robert Donald Smith, Steven Lee Crest, and Franklyn Malone—all U.S. citizens.

U.S. Captain Ronny Every and UK crewmen Samuel Lester Evans and Robert Lester Allen were arrested aboard the "Pescadores," the spokesman said.

Furthermore, 9,000 kg of fish were found on the boats. The captains showed permits issued by Colombia to fish in the Roncador, Serrana, and Quitasueno Keys—the sovereignty of which is claimed by both Colombia and Nicaragua.

The Interior Ministry spokesman said: "These are Nicaraguan keys. Also, they were captured in Nicaraguan waters, southeast of Corn Island, far from those keys."

The spokesman said that they will probably be fined and then released, along with their boats.

Spain To Send Peace Supervision Officers

PA2608172189 Managua Radio Sandino in Spanish 1200 GMT 24 Aug 89

[Text] Madrid—The Spanish Government will send to Central America two high-ranking officers to fulfill an exploratory mission prior to the arrival in the region of peace process verification forces.

One of the officers is a Spanish Air Force lieutenant colonel and the other is a lieutenant colonel in the Spanish Intelligence. The two will inspect areas where the international forces will be stationed and will determine the number of arms and men that will be needed to accomplish their mission.

The Spanish Government will send these officers on an specific request from UN Secretary General Javier Perez de Cuellar. The Spanish Government could integrate, with Canada and the FRG, the civilian and military forces that will verify the peace process in Central America on behalf of the United Nations.

President Ortega Meets With Cooperative Members

PA2608161889 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 24 Aug 89

[Text] President Daniel Ortega met with cooperative members after he inaugurated a relay station of the Voice of Nicaragua radio station in Esteli on 22 August. Among other problems, the peasants reported the absence of a marketing policy and guaranteed prices for basic grains and cattle, and the shortage of consumer goods during the planting season. Ortega announced that

a new branch of the National Development Bank will be opened in Murra and that San Rafael del Norte's needs will be looked after by the 6th Region. The president defended women's rights to land ownership in the cooperatives.

[Begin Ortega recording] The peasants are forcefully linked to the counterrevolutionary activities. We have a list with the names of 33 peasants, whom we will release [words indistinct]. We expect UNAG [National Union of Farmers and Cattlemen] to abide by this decision and refrain from mistreating them. These peasants will work and produce in the cooperatives. [end recording]

In Region (?6) there are 609 cooperatives with 18,208 members who produce corn, beans, tobbacco, and vegetables and raise cattle.

Government Signs Trade Protocol With Cuba

PA2608173289 Managua Radio Sandino in Spanish 1200 GMT 26 Aug 89

[Text] The deputy foreign trade ministers of Nicaragua and Cuba, James Zablah and Alberto Betancourt, respectively, have signed this year's 8th trade protocol.

Nicaragua and Cuba, which are confronting a commercial blockade imposed by the United States, signed their first commercial agreement in 1981. Based on that agreement, the two countries trade several products.

Following the signing of the protocol, Zablah said that Nicaragua exports $36 million worth of goods annually. Some of the products that Nicaragua exports to Cuba are coffee, wires, galvanized material, and wood.

This allows national enterprises to sell their products abroad.

Nicaragua imports from Cuba mostly material related to the sugar industry and to the transport sector.

National Television Grants Airtime to All Parties

PA2608030889 Panama City ACAN in Spanish 2348 GMT 25 Aug 89

[Text] Managua, 25 Aug (ACAN-EFE)—The Nicaraguan state-owned television station will begin transmitting a special program today that will contain free political propaganda for the 21 political parties with a view to the Nicaraguan elections on 25 February 1990.

The directorate of the Sistema Sandinista Television Network [SSTV] will grant 30 minutes of airtime daily—to be yielded by the government—to the political parties participating in the elections, including the ruling Sandinist National Liberation Front.

The second phase of the election timetable begins with this political program, which was agreed upon by the government and the opposition in the 1st week of August. The second phase of the election timetable will end on 13 September.

The Supreme Electoral Council (CSE), which regulates the election process and the timetable of the political program that will be broadcast by television, has not released the names of the political leaders who will make their first appearances on the program today.

SSTV Director Ivan Garcia said today that each party will be granted 10 uninterrupted minutes of the 30 minutes yielded by the government. The parties will use that time to broadcast their respective political messages.

The CSE began the special political program today, and it is scheduled to end on 4 December, the date election campaign begins. The election campaign will end on 21 February.

Garcia said that the daily 30-minute program will begin at 1830 and will end at 1900 local time (0030 to 0100 GMT). The program will be taped several hours before it is aired.

Garcia explained that the opposition and Sandinist leaders who participate in the programs will do so exclusively to convey their opinions and to take part in a political program.

In fulfillment of an ethics regulation issued by the Electoral Tribunal, Garcia stressed that "no offenses will be tolerated." The opposition parties will be given the opportunity to buy additional 15 to 30 minutes of additional airtime from the state-owned television station. The purchase of airtime will have to be negotiated with the SSTV directorate.

Presidency Minister Submits Bills to Assembly

PA2608173689 Managua Radio Corporacion in Spanish 1200 GMT 25 Aug 89

["Text" of letter sent by Presidency Minister Rene Nunez Tellez to National Assembly President Carlos Nunez Tellez on 24 August]

[Text] Commander of the Revolution Carlos Nunez Tellez, National Assembly president:

Dear commander: Following instructions from Commander of the Revolution Daniel Ortega Saavedra, president of the Republic, and in keeping with a political agreement signed by the president of the Republic and the legally-established parties on 4 August 1989, I attach the following bills for discussion and approval by the Honorable National Assembly:

1. Amendment of Decree 559 or Law on the Sandinist Police's Jurisdictional Duties; accord No 4, section 4.

2. Amendment of the General Media Law; accord No 4, section 2.

3. Law to repeal Decree 1,074; accord No 4, section 3.

4. Law to amend Article 494 of the Penal Code; accord No 4, section 3 [section number as heard]

Thank you for your attention to this letter.

Fraternally,

[Signed] Rene Nunez Tellez, presidency minister.

Presidential Nominating Period Starts 25 Aug

PA2708044789 Managua Radio Sandino in Spanish 1203 GMT 25 Aug 89

[Text] According to the reformed electoral calendar, the period to register presidential and vice presidential candidates for the upcoming 25 February 1990 elections started today. The same calendar indicates that the political parties participating in these elections have until 8 September to register the charter documents of alliances for these presidential and legislative elections. Thus, UNO [National Opposition Union] or Babel Tower, as it is generally called by the people, only has 13 days, starting today, to legalize its alliance.

UNO got the nickname Babel Tower because of the variety of beliefs and political doctrines of the groups in it. UNO is formed by persons who are communists, socialists, capitalists, bourgeoise, oligarchs, and alleged representatives of low-income sectors.

On another topic, political circles in Nicaragua learned today that the Trostskyist Revolutionary Workers Party, PRT, will register Bonifacio Miranda as its presidential candidate and that the Movement of Revolutionary Unity, MUR, formed by dissident youth from leftist sectors, will register Dr Moises Hasan Morales as its presidential candidate.

Opposition Leaders To Return to Country

PA2408043989 Managua Radio Corporacion in Spanish 2300 GMT 23 Aug 89

[Text] Social Christian Party members Azucena Ferrey and her brother, Roberto Ferrey Echeverri, will arrive in Nicaragua at noon on Friday, 25 August. The political leaders will travel to Nicaragua in a plane lent to them by Guatemalan President Vinicio Cerezo. Lolita Tucker, Marta Reyes, and Mapel Lopez, who had been working for the Social Christian Party in Guatemala City, are part of the entourage that will accompany the Ferrey's. It has been reported that Roberto Ferrey Echeverri will join the National Opposition Union, UNO.

PLI's Bonilla on UNO Meeting, Other Topics

PA2608182089 Managua Radio Corporacion in Spanish 1200 GMT 24 Aug 89

[Telephone interview with Romulo Bonilla, Independent Liberal Party (PLI) leader and member of the National Opposition Unity (UNO) executive commission; by unidentified reporter—date and place of the interview not given]

[Text] [Reporter] What agreements were reached during last night's UNO meeting? Will UNO meet again?

[Bonilla] We will consider economic aspects. We had previously considered the political aspects, both local and international. Today we will discuss social and economic aspects. [words indistinct]

[Reporter] Will you give any details on the economic aspects to be discussed?

[Bonilla] Some of these details deal with a mixed economy and a marketing model. We gave priority consideration to agrarian reform, which should be fostered, and free enterprise. We also dealt with actions to reinforce agricultural production. We considered introducing motions to create a new foreign investment law. We will sponsor efforts to work for social and economic reorganization in Central America. We approved a working mechanism in foreign trade [words indistinct] save for those cases in which a national interest is involved. In addition, we discussed tax laws, trying to make a general summary. We will have to decide on a scale whereby those who earn more, pay more taxes. We also discussed preferential interest rates for agricultural activities. [words indistinct] Finally, we considered political aspects. We approved an outline that deals with both the international and local aspects, such as constitutional amendments and the area that these amendments would cover. Such changes are fundamental for the country because [words indistinct]

Opposition Approves Draft Government Platform

PA2508181689 Managua Radio Catolica in Spanish 1130 GMT 25 Aug 89

[Text] The opposition's government platform has been approved. Attention is being placed now on who will be the opposition's presidential candidate. Guillermo Godoy, the Social Democratic Party's president, comments on the meeting that concluded with the approval of the government platform.

[Begin Godoy recording] I can say that, following 3 days of work, the National Political Council of the National Opposition Union has concluded its work and produced a draft government platform. The final draft of this document will be discussed tomorrow afternoon and then the document will be made known. [end recording]

UNO Spokesman Comments

PA2608001089 Managua Radio Sandino in Spanish 1945 GMT 25 Aug 89

[Text] The leader of the Socialist Party of Nicaragua and spokesman for the self-styled UNO [National Opposition Union], Gustavo Tablada, did not deny today during an interview with Radio Information [title of newscast] that the government platform approved on 24 August by that rightist organization contains key elements from the Blue and White Plan prepared by the U.S. State Department. When asked if the government platform considered returning the land that had been seized from the large landholders, the leader said that the plan does contemplate paying compensation to those

who present claims. Let us listen to some of the points included in the UNO government platform.

[Begin recording] [Tablada] Concerning public administration, the political section mentions the need for respecting public officials and for approving a civil service law, among others. The economic section establishes some basic guidelines for the economic policy of the Government of National Salvation [gobierno de salvacion nacional]. The economic section also has some urgent measures that the government feels should be adopted in order to revert the crisis situation in Nicaragua.

The last part concerns the social aspect and it includes several points, most of them specifically directed at Nicaraguan workers. For example, one of those points says that we must update our labor legislation, according to the demands that have been mentioned to UNO by the Permanent Congress of Workers and by the other organized Nicaraguan workers. Freedom to join trade unions, trade union democracy, collective bargaining, and the right to work and strike are all mentioned and will be considered the backbone of that legislation. Likewise, it discusses the need for establishing a minimum wage law, and the creation of a commission to study these minimum wages.

Other aspects taken into consideration are public health, education, housing construction, and social security, among others. These are only a few that I can recall at this time.

[Reporter] Does this government platform consider any of the aspects of the Blue and White Plan that the government has denounced?

[Spokesman] On several occasions, I have told the various reporters who have interviewed me on this issue that this platform approved by UNO was prepared taking into consideration 10 different documents. It has even taken into consideration a government plan proposed by the Broad Opposition Front back in March or April of 1979. At that time, that plan was drafted by the Group of 12, and it specifically included [Nicaraguan Vice President] Dr Sergio Ramirez Mercado, who signed that platform. We took into consideration that government platform, then the one presented by the Communist Party of Nicaragua, the Blue and White Plan, the one proposed by the Socialist Party of Nicaragua, and one proposed by the Conservative Popular Alliance. We also studied some suggestions made by the Neo-Liberal Party, PALI; the ideas and documents presented by the leaders of the National Action Party, led by Dr Eduardo Rivas Gasteazoro; the contributions made by National Democratic Party of Confidence; and the document officially sent by the Permanent Congress of Workers to the commission drafting the government platform requesting some proposals be considered.

This means that in one way or another, we have considered the issues we think are valuable and that could have a relation to the guidelines prepared by the electoral program, including those contained in the Blue and White Plan which have been considered and introduced into the original plan. [end recording]

Democratic Conservative Party Nominates Candidate

PA2808171189 Managua Radio Sandino in Spanish 1210 GMT 28 Aug 89

[Text] Fifty-nine delegates from the Democratic Conservative Party of Nicaragua [PCDN] nominated Eduardo Molina as presidential candidate and Milton Robleto as vice presidential candidate for the next elections. The PCDN convention held an all-day session on 27 August, but could not agree on a government program, of which some party leaders had not even received a draft.

The party members nominated a commission headed by Eduardo Molina, Enrique Sotelo, Clemente Guido, Danilo Perez, and Sergio Torres, who will be in charge of drafting a new government program. Torres said the appointment of deputies and municipal councilmen will be up to the party's National Executive Council.

During the convention, several candidates were in the running to accompany Molina in the election campaign. Sotelo said that had he been nominated candidate, he would have turned the candidacy over to UNO [National Opposition Union]. Sotelo said he opposes the positions of Molina, who said he expects to defeat the FSLN [Sandinist National Liberation Front].

During the voting one of the four votes against Molina and in favor of Sotelo was the one cast by Deputy Cesar Augusto Castillo, who said Molina is a progovernment candidate. Sotelo was rejected by the majority because his ultraconservative ideas made him an old-fashioned candidate.

SD Leader Cesar on Canal Possibilities

PA2808204389 Panama City ACAN in Spanish 1758 GMT 27 Aug 89

[Text] Managua, 27 Aug (ACAN-EFE)—Explaining the results of his talks with officials of the Japanese Embassy in Managua, opposition Social Democratic leader Alfredo Cesar said that the Japanese Government is not considering the possibility of building an interoceanic canal through Nicaragua.

"I personally believe the chances of building a canal to link the Atlantic and the Pacific through Nicaragua are nil until we experience several decades of complete political stability," Cesar said.

Cesar, a former member of the contra directorate, said that he recently met with Japanese Ambassador Yoshizo Konishi to discuss the topic of the construction of an interoceanic canal through Nicaragua, which he described as "the product of the Sandinist imagination."

According to Cesar, the Japanese ambassador "was very clear" in pointing out that Japan has an agreement with the United States to jointly build a new canal, preferably in Panama.

"It is there (in Panama) where they are evaluating the possibilities (of a new canal), something that is public knowledge," Cesar said, citing the ambassador's remarks.

Cesar referred to the issue of the canal when ACAN-EFE asked him whether the government program approved by 14 opposition parties includes the construction of a canal through Nicaragua.

Cesar, the secretary general of the Social Democratic Party of Nicaragua, replied that the opposition program does not include big expenditures on huge projects such as that of an interoceanic canal.

On 10 February, the Nicaraguan Government established a national commission for studies on the construction of a canal through Nicaragua. It is chaired by Finance Minister William Hupper and includes 11 experts.

A private mission of Japanese experts has already drawn up a report that Nicaraguan President Daniel Ortega described as "favorable" regarding the possibility of building a canal through this Central American nation.

The Managua government has not stated whether the work of this commission of Japanese scientists has the support of the Tokyo government.

The canal would be built in southeast Nicaragua, through the San Juan River, which serves as a border with Costa Rica, and Lake Nicaragua, which covers an 8,000 square km area.

Casualties Reported in 22 Aug Contra Ambush

PA2808192589 Managua BARRICADA in Spanish 24 Aug 89 p 2

[Report by T. Rothschuh]

[Text] One civilian was killed and three were injured during a criminal ambush perpetrated by mercenaries against two Interior Ministry [MINT] vehicles on the night of 22 August. The attack took place in the Harnacas area, on the 200 km marker of the Managua-Rama Highway.

Commander Fernando Caldera, 5th Region MINT delegate, reported that the contras' ambush took place at approximately 2100 when a jeep and a MINT truck with Lieutenant Fernando Gutierrez, the Nueva Guinea Sandinist Police chief, were on their way to take food to the prisoners that will be released today by President Ortega in this southern Atlantic autonomous region.

Driver Luis Sequiera Velasquez was killed during the criminal ambush.

Panama

Possibility of U.S. Invasion Not Rejected

PA2808233889 Panama City Telemetro Television in Spanish 2315 GMT 28 Aug 89

[Text] Panamanian Foreign Minister Jorge Ritter has said that the Panamanian Government has not rejected the possibility of an armed invasion by the U.S. Army as one of the options within the Panamanian problem.

[Begin Ritter recording] The U.S. Army has been taking actions against the country's sovereignty. Therefore, a so-called military intervention would only be the last step of what has been an invasion by the United States. This invasion, I repeat, has been rejected by Latin America as a whole and all countries of the world have also rejected it. The fact that the United States has attempted to cover up this invasion under the guise of maneuvers allowed under the Panama Canal treaties, is something else. [end recording]

Delvalle Accused of Squandering State Money

PA2808225089 Panama City LA REPUBLICA DOMINICAL in Spanish 27 Aug 89 p 18-A

[Text] [Former Panamanian President] Eric Arturo Delvalle and his group are involved in a real dance of millions with money belonging to the Panamanian people that was frozen by the Bush administration. The squandering of money has reached such heights that the Civic Crusade itself received funds to carry out destabilization activities that include actions at secondary schools and the University of Panama.

Such funds have also been distributed among friends and people who are close to Mr Delvalle, including Mrs Astevia Wong, a "friend" of Tuturo [Delvalle's nickname], also known as "La Chola," who has been one of the biggest beneficiaries of the distribution of funds belonging to the long-suffering Panamanian people. Such funds are being arbitrarily withheld by the U.S. President.

LA REPUBLICA has concrete evidence and documents that show huge sums handed out to personal friends and people close to Delvalle. We will receive more documents in the next few hours and will publish them in upcoming issues. We will reveal details on the huge sums handed out to the beneficiaries of this dance of millions.

According to documents leaked from the offices in which Juan B. Sosa serves as Delvalle's "ambassador," we confirmed that Jose I. Blandon earns a weekly salary that ranges from $10,000 to $25,000, which he picks up every week at Sosa's office. Besides this weekly salary, Blandon was rewarded with a hefty check for $128,116.

With more than $378,563, Raul Saint Malo has also received a large portion of the pie. This amount was withdrawn over a 5-month period. Delvalle himself authorized Saint Malo on one occasion to withdraw $36,000 to be distributed in equal parts. [sentence as

published] Saint Malo withdrew the total sum with checks for $25,000, $30,000, and $35,000 [amounts as received] to pay for alleged personal and family expenditures and to live well.

In squandering this large portion of the millions belonging to Panama, which have been arbitrarily frozen, we have evidence that shows that Alfredo Oranges took more than $185,000.

The list of people who have received hefty checks includes Eduardo Herrera, Alberto Garcia de Paredes, Moises del Rio, Augusto Villalaz, and Juan B. Sosa himself.

For example, Tuturo's "friend" Astevia Wong receives weekly checks ranging between $8,000 and $10,000 and up to $20,000. She has used this money to illegally purchase buildings, jewelry, luxurious cars, and an expensive mansion in an exclusive Miami neighborhood known as "Coconut Grove."

These handouts of the Panamanian people's money are personally received by the beneficiaries every week at the office Juan B. Sosa has installed in the U.S. capital. It has been leaked that fabulous amounts have also been paid out to well-known Civic Crusade and Panamanian opposition members.

According to information leaked by Juan B. Sosa's own office in Washington, among the beneficiaries are the Christian Democratic Party [PDC], through Dr Ricardo Arias Calderon, and members of the Panamanian Chamber of Commerce and APEDE [Panamanian Association of Business Executives].

Sosa said recently at a meeting with several people who are close to him that several PDC leaders had received incredible amounts supposedly to pay expenses incurred, mainly by university students, in the destalibization campaign against the Panamanian Government organized by the PDC. Top PDC leader Ricardo Arias Calderon brought back more than $1 million from a recent trip to the U.S. capital, where he goes on a regular basis. [report is accompanied by pictures of alleged copies of American Security Bank of North America checks issued by the Panamanian Embassy in Washington to various individuals mentioned in the report]

Various Figures Assess U.S. Military Presence

PRD Issues Communique

PA2808215889 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Aug 89 p A-11

["Communique to the country" issued by the Panamanian Democratic Revolutionary Party in Panama City on 27 August—all quotation marks as published]

[Text] Last week, the U.S. Embassy in Panama held meetings with distinguished members of the diplomatic corps accredited to Panama to justify the unilateral military maneuvers and actions carried out by the U.S. Army against Panamanian sovereignty and in violation of the Torrijos-Carter treaties. The unilateral, military actions the United States is uselessly trying to justify are a violation of the Torrijos-Carter treaties and proof of future armed interventionist actions against Panama.

The Panamanian people have told the world about the frequent U.S. Government violations of the Panama Canal treaties. The U.S. Embassy in Panama has tried to take advantage of the good faith of the distinguished ambassadors accredited to Panama to try to justify the U.S. Government's right to station, train, and move its military troops in Panamanian territory.

We vigorously reject the public statement issued by the U.S. Embassy to the effect that the U.S. Armed Forces can station, train, and transport military troops in Panama without any limitations. Such a legal misstatement denies Panamanian sovereignty over its own territory and denies provisions in the canal treaties and its related agreements, which clearly mark the areas where the U.S. Army can exercise the aforementioned rights.

The U.S. Government has referred to some treaty provisions to justify its irrational behavior. Among others, the U.S. Government referred to Paragraph 1, Article XV of the Agreement in Implementation of Article IV of the Panama Canal Treaty. In fact, the said paragraph states: "The vessels and aircraft operated by or for the United States Armed Forces may move freely through Panamanian airspace and waters, without the obligation of payment of taxes, tolls, landing or pier charges, or other charges to the Republic of Panama and without any other impediment." This provision does not include the movement of land vehicles and much less their use on our roads. The only purpose of the said provision is to exempt U.S. vessels and aircraft from the payment of taxes and other fees to Panama.

In addition, Paragraph 7 of the aforementioned article expressly states: "The Republic of Panama shall adopt such measures as may be appropriate to coordinate air traffic in the Republic of Panama so that maximum safety shall be offered to civil and military air navigation, also establishing that "this coordination shall be agreed upon by the appointed authorities of both government, respecting always the sovereignty of the Republic of Panama over all its airspace." Thus, such provisions cannot be used to justify U.S. interventionist purposes.

The Republic of Panama consider it essential to assess the U.S. Armed Forces activites in Panamanian territory based on respect for the principle of Panamanian sovereignty, which is expressed in the preamble of the Panama Canal Treaty. This principle rejects the superiority of any other force or authority other than those of Panama. This principle reiterates and strengthens what is established in Paragraph 2, Article I of the Panama Canal treaties, which indicates that the Republic of Panama "as territorial sovereign," grants the United States of

America, for the duration of this treaty, the rights necessary to regulate the transit of ships through the Panama Canal, and to manage, operate, maintain, improve, protect, and defend the canal. Similarly, the same provision establishes that the United States of America can only use land and water areas for such purposes pursuant to this treaty and related agreements."

Article I of the agreement in implementation of Article IV of the Panama Canal Treaty also indicates where the U.S. Armed Forces can carry out activities by establishing that the said forces can only use defense sites that Panama has allowed and for the specific purposes stated in the Panama Canal Treaty. In addition and in accordance with Paragraph 5, Article IV of the canal treaty, the number of U.S. troops stationed in Panama is limited and it "should never exceed that of the Armed Forces of the United States of America in the territory of the former canal zone immediately prior to entry into force of this treaty."

It must be clearly stated that the U.S. Armed Forces, their dependents and people under contract to them must respect the laws of the Republic of Panama, especially concerning aspects established in Article II of the agreement in implementation of Article IV of the Panama Canal Treaty, which says: "They shall abstain from all political activity in the Republic of Panama, as well as from any interference in the internal affairs of the Republic."

During the time the canal treaties are in effect, the point of reference must be the principle of joint protection and defense of the canal by the Republic of Panama and the United States in case of an armed attack or other action that may threaten the canal or the ships moving through it. The United States' primary responsibility, which is to protect and defend the canal, must be exercised under the premise that the U.S. forces must cooperate with the Republic of Panama to guarantee the uninterrupted and efficient operation of the canal as it is established in Paragraph 4, Article I of the canal treaty.

Panama believes that the illegal and irresponsible actions of the United States, which are in violation of the Torrijos-Carter treaties, the principle of not using force in relations between the two countries, and Panamanian sovereignty, are a prelude to military interventionist actions against Panama. Panama considers such actions to threaten security in the entire region. We call upon the Panamanian people, the international community, and especially those who use the Panama Canal to reject these actions, which deny Panamanian sovereignty, international legal order, and are an attack on peaceful coexistence throughout the continent.

[Signed] National Executive Committee, Democratic Revolutionary Party

[Dated] 27 August 1989, Panama

Union Head Vows U.S. Defeat

PA2908042289 Panama City Domestic Service in Spanish 1645 GMT 28 Aug 89

[Text] Mauro Murillo, secretary general of the National Central Organization of Panamanian Workers, has said that the Panamanian workers will face U.S. aggression with intelligence, courage, and dignity. Murillo, who was elected to the post at the ninth congress of the labor organization, added that if U.S. troops carry out a military invasion they will be defeated, just like in Vietnam.

At the end of the congress, the union leader expressed appreciation for the combative solidarity of the Latin American countries represented at the congress, stressing that every day there are more and more countries which are supporting Panama in its struggle for total sovereignty. Murillo added: We are satisfied with the results of this congress, where the necessary debate prevailed and where topics that are basic to the labor movement were discussed. The Panamanian labor leader called upon all the people's sectors to become stronger and to stand united to defend the people's interests. Murillo warned that the dialogue must be now, with the workers, because the oligarchic opposition will never agree to a national liberation project.

Journalists Protest 'Provocations'

PA2808200989 Panama City LA ESTRELLA DE PANAMA in Spanish 28 Aug 89 pp A-10, B-10

[Text] A document signed in Mexico by the Federation of Latin American Journalists (FELAP) and the regional office of the International Organization of Journalists (IOJ) has stated that U.S. military provocations in Panama, which have intensified in the past few days, constitute the greatest offense against that fraternal country and every Latin American.

These groups also point out that such actions are compounded by the silence of certain accomplices in the region who are bent on reproducing in Spanish, U.S. news that is disseminated every minute, hour, and day by the multinationals of disinformation.

They add that the issue in Panama is whether it will be nation or a colony; if it will remain part of the Latin American fatherland or give in to the imperial expansionism of a country that has attacked, exploited, and despised us for more than 200 years.

Luis Suarez and Ernesto Vera, who signed the document representing FELAP and IOJ respectively, said: Our solidarity with Panama only excludes traitors or those have been tamed. We must dissipate the confusion created by disinformation campaigns aimed at deceiving and making us accomplices of a crime.

As for the role that journalists must play, the document states: "The honest and dignified journalists of our America are called to remain in the vanguard in this

struggle for the independence, sovereignty, and self-determination of the Panamanian nation."

U.S. 'Tourists' Arrested at Rio Hato Fair

PA2508152989 Panama City LA ESTRELLA DE PANAMA in Spanish 25 Aug 89 p 32

[From "The Griper" column]

[Text] Three North Americans were arrested yesterday at the Rio Hato Agricultural and Livestock Military Fair. These U.S. "tourists" are unexpected and dangerous.

Colombian Envoy Recalled to Bogota for Talks

PA2808215389 Panama City ACAN in Spanish 2108 GMT 28 Aug 89

[Text] Panama City, 28 Aug (ACAN-EFE)—Diplomatic sources have reported that General Jaime Hernandez Lopez, Colombian ambassador to Panama, was recalled for consultations today by his government, thus following in the steps of several of his colleagues who recently returned to their countries of origin after the Panamanian crisis worsened.

The Colombian Embassy did not comment on the information given to ACAN-EFE by several diplomatic sources, who said Hernandez Lopez would travel to Colombia on 30 August.

Following Gen Hernandez' departure, charges d'affaires will be in charge of the following embassies, in addition to Colombia: Peru, Argentina, Uruguay, Venezuela, and Bolivia.

The calls from Colombia and Peru for consultations occurred in the last few days, after the OAS mediation failed to achieve a negotiated solution to the Panamanian crisis and on the eve of the formation of a provisional government by the regime.

The news about the Colombian ambassador's departure caused a stir among the diplomats accredited to Panama given the privileged relations between the countries and because, until now, the Colombian Government had adopted what was considered a "moderate" attitude toward the Panamanian regime.

A Latin American diplomat who asked that his name be withheld told ACAN-EFE: "What happened early in 1988, when only the ambassadors of Brazil and Mexico (members of the Group of Eight) remained, will probably happen again."

Following the removal of President Eric Arturo Delvalle in February 1988, several Latin American ambassadors were recalled for consultations and Panama's participation in the Group of Eight was suspended.

The source said that the ambassadors' attitude will depend on the "degree of unconstitutionality" of the new government to assume power on 1 September, the day the mandate of President Manuel Solis Palma ends. Spokesmen for the regime have announced that a provisional government will fill the "vacuum" created by the annulment of the 7 May elections.

The opposition has announced that it will not participate in a government or in a government junta as long as the country's "strongman," General Manuel Antonio Noriega, remains as military commander in Panama.

At the meeting held recently at the OAS to study the Panamanian situation, Mexico and Brazil opposed resolutions condemning Noriega that had been proposed by Venezuela and Costa Rica.

One of the charge d'affaires at the head of a Latin American embassy in Panama has told ACAN-EFE that "it is very probable that the Group of Eight will issue a joint declaration on 1 September."

Panamanian sources have said that the Chilean Government has confirmed the presence of the Chilean ambassador in Panama after 1 September. These sources said that Chilean President General Augusto Pinochet himself recently announced this to Noriega.

Peruvian Ambassador Mario Castro Arenas left Panama Sunday night for "service-related reasons," but sources from his own embassy have attributed his departure to a recent polemic between Noriega and Peruvian President Alan Garcia, whom the Panamanian general recently and ironically "appointed" as "the defender of the Panamanian cause."

Last week Garcia proposed that the United States advance the date for the delivery of the Panama Canal (scheduled for the end of 1999) "to put an end to the dictatorship" in Panama.

Further on Noriega's Comments About Businessmen

PA2808182689 Panama City Cadena Exitosa in Spanish 1715 GMT 28 Aug 89

[Report by Carlos Anel Cordero on statements by General Manuel Antonio Noriega in Rio Hato, Panama Province, on 26 August]

[Text] Panamanian General Manuel Antonio Noriega has said that businessmen must not mix economic principles with their political ideologies, because production and investment should be apolitical and should not belong to any political party.

[Begin Noriega recording] To talk about business is to talk about production and investment, and production and investment do not belong to any political party. Investment and production do not follow any doctrine or dogma. They should not follow any particular ideology.

In Panama—as I have said on previous occasions—local businessmen under foreign influence confused the cash register with the trigger of insurrection. That cash register is now confusing political with economic principles. Those who handle production and trade must not get

basic economic principles involved with their ideologies or political interests. Panama is one of those countries in which men, or people in general, have made that mistake. [end recording]

Gen Noriega stated that business activities and economic development were not born when the dollar appeared, because our ancestors were involved in business activities, too.

[Begin Noriega recording] History proves that business and economic development did not appear when the dollar appeared in the world. Our native cultures used economic principles with great talent. They developed those principles from the Amazon region to Mexico. Even the redskins developed those principles when they were alive. [sentence as heard] [words indistinct]

Panama was not born yesterday or because George Washington came to Panama. Panama belongs to a pre-Columbian culture, whose Indians, including the Aztecs, Incas, and [word indistinct], already knew about bartering. [end recording]

Legislative Assembly May Extend Term to Nov

PA2908000189 Panama City Televisora Nacional in Spanish 2317 GMT 28 Aug 89

[Text] Today at noon, Legislative Assembly Secretary General Erasmo Pinilla announced that there is a possibility that the Legislative Assembly will extend its term until November.

[Begin Pinilla recording] According to the norms established in the Constitution, this Legislative Assembly's period should end on 31 August. This is according to the Constitution, which states that the new government, or legislators elected during this year's elections, should assume office on 1 September. However, there are no legislators-elect and a unique situation has arisen.

Meanwhile, legislators are studying the special situation that developed when this assembly was installed. According to the Constitution, a legislator is elected for a 5-year period. However, as a result of a court interpretation of the Constitution, in 1984 the Legislative Assembly was not installed at the same time that the new president was sworn in. The assembly was installed on 16 November 1984. Therefore, the 5-year period will be up on 15 November. At this time we are still consulting on the matter to decide whether the assembly will continue to operate until November if it is to be dissolved. This would create an interesting and difficult situation, because Panama cannot operate without the Legislative Branch. It is one of the branches of government and we are consulting on this matter to decide what is going to happen with the Legislative Branch. [end recording]

Possible Solutions to Government Crisis Viewed

ACAN Notes Options

PA2808181789 Panama City ACAN in Spanish 1713 GMT 28 Aug 89

[Text] Panama City, 28 Aug (ACAN-EFE)—A new minister in charge of the Presidency or a provisional government junta are, among others, possible solutions that the Panamanian regime will adopt on Friday, 1 September.

With only 4 days until the end of the constitutional term of the current authorities, the Panamanians do not know what solution General Noriega and the government have chosen or will choose to solve the government crisis caused by the annulment of the 7 May elections.

Manuel Solis Palma, minister in charge of the Presidency who has not ruled out the possibility of remaining in the new government, told ACAN-EFE on Saturday that the formula will be announced in due time, prior to 1 September, and that "everything that is being done regarding this issue is absolutely confidential."

Politicians of the regime say that the option with the greatest strength is the establishment of a "provisional government," in which it would be desirable to include the participation of independent figures and even opposition members. However, the form that such a new administration would take or the legal formula that would be used to establish it have yet to be revealed.

Government sources explained that efforts are being made to find the means to form a new government which would be the least removed from what is established by the Constitution.

It is considered very improbable that the Civic Democratic Opposition Alliance (ADOC) will participate in the new government, given the failure of the negotiations it held with delegates from the regime and the military after the annulling of the May elections.

Noriega said last week that the opposition had committed "the historic mistake" of not accepting "half" of the next government and that "it could not be given more."

The opposition replied that half of the government "is nothing" if the general does not leave the command of the Defense Forces, the center of real power in Panama for the past 21 years.

In a banner headline today, the newspaper ULTIMAS NOTICIAS said that "the Supreme Court holds the solution with regard to the vacuum of power on 1 September."

According to the newspaper, Supreme Court President Marisol Reyes de Vasquez could become the provisional head of government on 1 September.

The supporters of this option feel that the Judicial Branch is the only one of the three government branches

where no changes will occur on 1 September because the magistrates' term does not expire on that date, unlike the Executive and Legislative Branches.

Former Minister Mario Rognoni, chief figure of the progovernment Democratic Revolutionary Party (PRD), said today that the "decision was made already," but will not be announced yet to avoid problems in the period between the public announcement and the installation of the new administration.

According to Rognoni, this allows for consideration of other formulas which may be implemented if circumstances change between now and Friday, 1 September.

Among the alternative formulas, Rognoni mentioned the possibility of summoning 510 corrregimiento representatives (community leaders) to consider granting broad and special powers to Noriega, as they did to General Omar Torrijos following the 1968 military coup that led to the establishment of the current Panamanian regime.

Noriega has remained so silent on the future government formula that some high officials admit to not really knowing what the final decision will be.

The general said last week that he "would go along with a military junta," adding immediately: "I am saying this as a joke, take it as you will."

On that same date, Solis disclosed that the possibility of his continuing as president "has not been ruled out, but that is not what is being sought."

During the weekend, Noriega attended several public functions at the Rio Hato Military Base, approximately 120 kms west of Panama City. He closed the military agricultural fair, went to a bullfight, and attended a show featuring a folk dance and other performances.

The general, whose daughter Sandra had his first grandchild on Saturday, was at ease and smiling at all times.

During the weekend, he had the opportunity to discuss Panama's future with different sectors, his advisers told ACAN-EFE.

Contrasting with Noriega's ease, the government news media has been insisting on an "imminent" armed U.S. intervention in Panama, and public employees are receiving military training and grouped in "Committees To Defend the Fatherland."

Commentary on 1 Sep Power Transfer

PA2508234189 Panama City Domestic Service in Spanish 1100 GMT 24 Aug 89

[Station commentary: Colony or Nation]

[Text] We regret the death in its cradle of the OAS mediation to help Panamanians find a solution to a crisis brought about by the most shameful U.S. Government aggression.

However, the irreconcilable positions of the colonialist opposition cannot stop the government and the forces of the popular majorities from maintaining an open and positive attitude in finding a patriotic, nationalist, and democratic solution of our differences among Panamanians.

The manipulation of the Bush administration along with the lackey rulers that the Panamanian people already know is evident. At this crucial juncture in Panama's history, they are advocating interventionism to resolve the internal problems of Panama.

A recent statement by the so-called Group of Eight is one of the most serious and harmful violations of the sacred principles of self-determination and nonintervention of states in the internal affairs of other states contained in the UN Charter.

This colonialist group has said that a dialogue among Panamanians is preferred over unilateral measures, which if adopted, would cause serious damage to hemispheric coexistence. We understand from this that the failure of the dialogue prevents the government from tranferring power on 1 September via a political formula allowing the establishment of a provisonal government involving the broad participation of all popular organizations representing the country's great majorities.

Such meddlesome statements will find no support among Panamanians who have extensively discussed the dilemma of choosing between being a colony or a nation. The people have already heeded the order of not backing up one step in our struggle for independence and national liberation.

Therefore, let the divine providence punish the U.S. Government and its lackeys, who in collusion with the Colonialist Democratic Opposition Alliance [Civic Democratic Opposition Alliance, ADOC], will not be able to prevent the transfer of power on 1 September 1989, because Panamanians are determined to consolidate the irreversible revolution of the popular masses that was started by our spiritual guide Omar Torrijos. We will not give up that effort despite the aggression of the colossus to the north.

We will continue on this course along with our leader Manuel Antonio Noriega to survive and strengthen our status as a free, sovereign, and independent nation under one flag and in one territory.

For Panama, our lives.

ADOC Communique Urges Calm

PA2908000389 Panama City Cadena Exitosa in Spanish 2251 GMT 28 Aug 89

[Communique issued by the Civic Democratic Opposition Alliance (ADOC) in Panama City on 28 August—read by ADOC representative Guillermo Casco Arias]

[Text] As we approach 1 September, the date on which the Constitution prescribes a transfer of power to those

who were elected on 7 May 1989 by the Panamanian people to fill the posts of president, vice-president, legislators, corregimiento representatives, and councilmen, and in view of the present wave of alarmist rumors and biased reports that are being circulated, ADOC, the legitimate representative of the great national majority, urges the Panamanian people to remain as they have been to date: calm, vigilant, and determined to use peaceful means to have their permanent commitment to democracy, justice, and freedom prevail.

By this means, ADOC reaffirms its promise of unyielding loyalty to the historic political mandate that it received from the people on 7 May 1989, and states that, as always, ADOC is prepared to seek the nation's democratization and reconciliation at a table of patriotic negotiations, as long as those negotiations include new proposals that broach rather than evade the problems that so far have kept the crisis from being resolved.

However, those who think they can seduce us with an offer of bureaucratic positions are mistaken, no matter how generous they may seem. The country needs democracy, freedom, and justice; and a solution will come only when those values are enshrined, a goal for which we will strive. However, in the dialogue that was recently carried out under the auspices of the OAS, the regime's representatives at no time agreed to formulas for a solution that involved an authentic transfer of power. Hence the failure of the dialogue.

Compatriots, there is no room for pessimism and despair. We have never been closer to victory without revenge, and with the reconciliation that we all desire. Panama's future will be democratic, just, and free. That is what the people want, and that is how it will be.
[Dated] Panama, 28 August 1989

Escobar on Unauthorized Offer to Opposition

PA2908042089 Panama City Cadena Exitosa in Spanish 1700 GMT 28 Aug 89

[Report by Carlos Anel Cordero]

[Text] Dr Romulo Escobar Bethancourt, who represented the Executive Branch in the tripartite national dialogue, said it is true that he offered more than he had been authorized to in the talks—adding that he did it because he was trying to achieve his goal of finding a peaceful solution to the crisis that prevails in Panama.

Dr Escobar Bethancourt added that one of his proposals was for the national unity government, which might arise from this dialogue, to discuss the issue of civilian-military relations. Dr Escobar Bethancourt offered this explanation after General Manuel Antonio Noriega publicly stated that the Executive Branch representative had offered more than he had been authorized to.

[Begin Escobar recording] I adopted that decision because I believe that you must try to achieve a given goal when you are participating in that kind of negotiation. I was given a goal—try, by all means, to find a negotiated solution to give the country a peaceful and democratic alternative.

I had been authorized to negotiate so that we could achieve this goal. Thus, I worked with the government's proposal and increased it in a measure that I believed might serve two purposes: First, the opposition would agree to compromise on a national unity government. Second, the proposal would help achieve another goal—the organization of free elections for a democratic transfer of power.

I believed, and continue to believe, that the elections will be more effective if all the interested parties participate in the organization. This way no one can accuse the other of stealing the elections. That is why I increased the offer.

For example, one of the things I added was to directly propose that the first thing the government of national unity would to discuss is the issue of civilian-military relations. Thus, every aspect of the problem would be tackled without limitations.

Consequently, I did what I did because I believed it is one of the most important topics in the country and it was illogical to avoid it. Even though I was not directly authorized to propose this, I did—simply because I believe it is necessary to discuss this kind of topic. [end recording]

'Room' for Talks Possible

PA2908043389 Panama City Telemetro Television in Spanish 2300 GMT 28 Aug 89

[Text] Romulo Escobar Bethancourt, who represented the Executive Branch and the Panama Defense Forces [FDP] at the tripartite dialogue, says he has not been instructed to resume the dialogue with the Civic Democratic Opposition Alliance [ADOC]. The political leader said the path has been left open for continued negotiations among Panamanians.

[Begin recording] [Escobar] I believe the time has come for foreigners to stop meddling in Panama's affairs. Should we hold a dialogue or conversation, or seek solutions, we will do so among ourselves, among Panamanians.

[Unidentified reporter] Will any particular proposal be presented to the opposition this week, as 1 September approaches?

[Escobar] I know of no proposal. You must remember that I represent the Executive Branch and the FDP, and when the latest talks concluded I received no further instructions. Moreover, I left immediately for Washington.

[Reporter] Is there room for further talks with the opposition?

[Escobar] There will always be room. I have said so before; the government is always willing to talk with the opposition.

[Reporter] The opposition says it will only talk with the government if the government has new proposals. What do you think of this, Mr Escobar?

[Escobar] I am truly surprised by that attitude. I believe that one should approach a dialogue with openness, prepared to see what is put forward, what proposals are made, what new things may emerge. One cannot threaten the person with whom one is going to have dialogue before even sitting down with that person. I, for example, would be incapable of imposing any conditions whatsoever for a dialogue with the opposition. I have a great deal of respect for dialogue.

[Reporter] The Executive Branch proposed a plan for a government at the dialogue. Is that proposal still in effect?

[Escobar] I do not know if it is still in effect. When the dialogue ended, I told the [minister in charge of the Presidency] that my role as representative had concluded.

[Reporter] Does this mean that the dialogue is virtually a thing of the past?

[Escobar] I do not know if it is a thing of the past or not. I do not know if the president will redesignate me or if he will designate someone else. Furthermore, your statements concerning the opposition—that it will not negotiate with us if a series of conditions are not met—leads me to the conclusion that the opposition no longer wants to dialogue. No one can be threatened into participating in a dialogue. [end recording]

Authorities Reportedly Arrest 6 PDC Members

PA2808222289 Hamburg DPA in Spanish 2153 GMT 28 Aug 89

[Text] Panama City, 28 Aug (DPA)—A bulletin issued today by the opposition Christian Democratic Party [PDC] of Panama stated that six of its members were arrested over the weekend by Panamanian authorities.

The document states that Jorge Luis Arrocera, Rafael Bolivar, Reynaldo Arrocera, Isabel Madrid, Jose DeLeon, and Rafael de la Sera are being held in custody in Chiriqui Province, 438 km from the Panamanian capital.

According to PDC spokesmen, the reasons for the arrests are unknown.

PDC lawyers have filed the appropriate legal documents in an attempt to have the prisoners released.

PPR: 400 Guerrillas Ready To Attack Capital

PA2808191389 Panama City CRITICA in Spanish 28 Aug 89 pp 1, 12

[Text] The Panamenist Revolutionary Party [PPR] maintains that Van Cleef [in reference to Dutch Priest Nicolas van Cleef killed on 7th May] Commandos are ready to promote chaos this week. After collecting and studying intelligence reports obtained through reliable sources, the PPR reported that over 400 men—whose ages range between 10 [as published] and 35 years—trained in urban guerrilla warfare are ready to attack Panama City and surrounding areas. The mercenaries are Christian Democratic Party members and Nicaraguan contras who left Honduras and entered Panama through Howard Air Force Base.

The PPR report notes that this mercenary group has been trained to take over radio and television stations and public buildings, and to use Molotov cocktails and powerful grenades. The mercenaries, assigned to clearly defined areas and with defined objectives, are supposed to create a chaotic situation that will serve as pretext for the Southern Command to carry out its siege of Panama City. Access ways would be blocked to prevent the entrance of food supplies into the city. Also, the Chilibre Potable Water Plant, the INTEL [National Institute of Telecommunications] installations and the IRHE [Institute of Hydraulic Resources and Electrification] substations would be taken over. Public transportation would be suspended. Radio and television stations would be occupied and would broadcast recorded messages and speeches announcing the takeover of national territory.

Radio interference, and slanderous proclamations broadcast by Radio Impacto in San Jose, Costa Rica add new psychological support elements to the sinister Bush administration plan. The PPR report, signed by its President Luis Gaspar Suarez Sierra, adds that the maneuvers, provocations, and violations to the national sovereignty perpetrated by the Southern Command were intended to sound the civilian population alarm. Therefore, the PPR announced it will request the Foreign Relations Ministry to issue a formal protest to Costa Rican President Oscar Arias so that he stops the Radio Impacto subversive campaign, or ends the frequency interference.

The PPR has decreed that their youth groups and "Black Beret" leaders in the country are on alert status and has ordered its members to gather in secret places in Panama City.

Commentary Lashes Out at 'Pseudo-Lefists'

PA2608135589 Panama City Telemetro Television in Spanish 2300 GMT 23 Aug 89

[Station commentary]

[Text] A local newspaper, taking advantage of the Panamanian people's goodwill, today is echoing the lies and libel printed by a weekly periodical run by an amoral

individual, who, mired in his own discredit, is trying to tarnish the image of a business that, with proven honesty, has the aim of being creative and efficient, and thus, has sought progress for the country.

Such actions, which are plotted and ordered by radical elements who are skewed to the left, are not new to Panama. These individuals are trying to confuse the national government into adopting incorrect measures against private enterprise, knowing full well that these unfortunate decisions only worsen the country's economy.

The late General Torrijos distrusted them because he knew that their intent was to promote a senseless class struggle to conceal their own mediocrity and lack of progressive ideas.

Some of these individuals, who own luxurious countryside homes, have been like purulent wounds for the revolutionary process, because these state parasites have done nothing to improve the country. Quite the contrary, while displaying false nationalism and a red hue that has been discolored by their own discredit, they spare no efforts to deceive the government and attack private enterprise, who, along with the labor force, are the authentic bastions of the country's economic development.

Telemetro Channel 13 has been audited by the National Revenues General Directorate throughout its 8 years of existence; even between January and July this year. This shows that it has no sins to conceal. We uphold our unwavering position of defending the right to freedom of speech. This has led us to broadcast objective news that has annoyed these blackmailers who want to influence our editorial orientation.

Now is the time to remind them that flatterers are the curse and damnation of good leaders. This new attack against private enterprise prompts us to alert all active forces, because the very stability of our business is at stake.

Telemetro Channel 13 reaffirms to the citizens that it will remain on guard to counter the lash of the claws of this pseudo-leftist minority that is trying to ruin the nation with their crazy advice.

At this difficult juncture, when Panama is hosting a Latin American businessmen's meeting, it is incomprehensible and even contradictory for these morally-disabled people—alleged leftist politicians—to attack private enterprise, because they have never made authentically-nationalistic statements, only those that serve their dark plans against the fatherland.

Various Groups Form Fatherland Defense Committees

Railroad Creates Committee

PA2708043389 Panama City Domestic Service in Spanish 1140 GMT 25 Aug 89

[Text] Officials from the Panama Railroad created their Committee for the Defense of the Fatherland and Dignity [CODEPADI] for the protection and security of the installations and personnel working in the institution. The Panama Railroad's CODEPADI is headed by director Juan Gabriel Perez. Following the formal creation of the commitee, plans and actions to raise the consciousness of the officials were taken. Evacuation exercises and first aid seminars were conducted. Employees were also taught how to use firearms.

Bank Employees Form Group

PA2808170489 Panama City LA REPUBLICA in Spanish 27 Aug 89 p 2-A

[Communique issued by the Panama National Bank's Committee for the Defense of the Fatherland and Dignity in Panama City on 25 August]

[Text] Inspired by the firm principles of dignity, nationalism, and Torrijism and because it is our moral, patriotic, and historic duty, we announce to the country that the Panama National Bank employees, the same as those of other state institutions, have formed the Panama National Bank Committee for the Defense of the Fatherland and Dignity, CODEPADI-BANCONAL.

Everyone is aware that the nation's independence and territorial integrity are increasingly being harmed by the U.S. Army.

In the face of this situation, which we have personally felt from the moment in which the funds of the bank and our clients were frozen by U.S. judicial officials with the complicity of some Panamanians, we have voluntarily and patriotically organized to face any contingency that might harm our independence and territorial integrity. At the same time we have not neglected our daily tasks.

Those of us in the Panama National Bank have always known that a country is not born great...it is made great. Therefore, its greatness is measured by, among other things, the moral, disciplinary, cultural, social, and economic level of its inhabitants and most important of all, by the nationalist and patriotic love of its sons.

In this regard, the CODEPADI-BANCONAL has been formed within that spirit to guide our fellow employees, families, and neighbors, to continue raising high our flag, and to defend absolute independence, territorial integrity, and the strict fulfillment of the Torrijos-Carter Treaty, which marks part of the path to our final and irreversible national liberation in the year 2000.
[Signed] General Coordination of the CODEPADI-BANCONAL
[Dated] Panama City, 25 August 1989

Episcopal Commission Urges Media Freedom

PA2808204789 Panama City PANORAMA CATOLICO in Spanish 27 Aug 89 p 3

[Communique issued by Msgr Romulo Emiliani, president of the Episcopal Commission on the Media—in Panama City on 22 August 1989]

[Text] The Episcopal Commission on the media views, with sorrow and frustration, the lack of freedom of expression in the media and the lies and slanders used by some journalists against Panamanian Catholic Church leaders.

The media should always be at the service of the people, reporting the truth, and forming the critical conscience of the people to achieve the proper maturity and to make the necessary historic changes so that mankind can accomplish its great tasks. If the media does not enjoy the necessary freedoms and is forced to report only on certain realities and to follow certain political guidelines, the whole picture will be incomplete and even distorted. That is why we need information pluralism, different views of problems, and different solutions to the same problems. That is the only way to discover the truth. When many people with different ideological backgrounds contribute to the solutions of the problems through scientific, journalistic investigation and experience, they are doing so because of their love for the people and their progress.

This Episcopal Commission has noted that under the current circumstances, free coverage of information is not allowed. The people need to be informed about this historic process so they can really play an important role in their growth. Since there are great obstacles to free coverage of the information, important decisions are not made by the people, but by certain groups with political power. The decisions will not be authentic and will lack the appropriate support. This will undermine the process to overcome and to liberate ourselves from our country's underdevelopment. They will be antidemocratic decisions, and therefore, they will be unpopular.

That is why, once again, this commission asks for:

1. The reopening of media that has been closed. Both the private and government media should be subject to the laws and regulations that demand respect for people and their dignity. There should be love for the truth and the relevant fines should be imposed if there is disinformation.

2. Public discussions on radio, newspapers, and television regarding national problems. They should be accompanied by sound arguments, true information, and a genuine desire to serve the fatherland and not certain political or ideological groups.

3. The right of the Panamanian people to express themselves through the media by means of surveys as well as interviews of political, labor, religious, and civic groups so they can give their opinions on the national situation.

4. All of this should take place within a framework of freedom without any threats or intimidation, and the free movement of ideas and political positions should be allowed.

All of this will contribute to a national understanding, reconciliation, and the success of a dialogue among the different political groups in the country. Otherwise we fear the existing gap will open up even more, the people will be more frustrated, and less motivated to contribute to the progress of the fatherland. This will be an obstacle to the necessary socioeconomic progress, with which we can overcome poverty. We will be even more subjected to the sad reality of many Third World countries, which do not make progress because of lack of democracy and the lack of participation of all groups in their country's development. Therefore, we need a climate of real freedom of expression.

[Signed] Episcopal Commission on the Media
Msgr Romulo Emiliani CMF President
[Dated] Panama City, 22 August 1989

Labor Minister Reports on Unemployment Levels

PA2608142289 Panama City Telemetro Television in Spanish 2300 GMT 23 Aug 89

[Text] A financial study conducted by Labor Minister Cesar Martans has shown that it is corporations linked to the construction industry that are battling the most troublesome labor situation.

[Begin Martans recording] According to a study we conducted of approximately 72 corporations, 24 of them have succeeded in improving their economic situation using mechanisms applied in 1988. These corporations have been able to keep a somewhat reduced number of workers from last year. The corporations connected with the construction industry, however, are in a much more difficult situation, to the extent that they are trying to obtain Labor Ministry authorization to dismiss a number of their employees. We have not only to check documents that deal with the financial studies, but must ensure that the least possible number of workers are dismissed. We do not want to contribute toward increasing the country's unemployment. [end recording]

Media Review of Political, Economic Situation

PA2808223189

[Editorial Report] The following is a review of material from Panamanian and regional media related to the current political and economic situation in Panama. This review draws solely on broadcast and press reports monitored by FBIS Panama Bureau. The review covers the period from 23 to 28 August and includes some items that have been processed in fuller form.

Regime Media See Vindication in OAS Deliberations

Pro-government Panamanian media were restrained in their commentary before the 21st OAS foreign ministers consultative meeting in Washington on 23 August but

exuberant in their review of the OAS ministers' resolution, which the press saw as a clear slap at U.S. policy and a vote of confidence for Panamanian self-determination.

On 23 August, before the OAS convened in Washington, a station commentary aired by Panama City Domestic Service cautioned that the organization was "subject to pressures from the Bush Administration," which wanted a resolution that would "favor the Panamanian opposition." That evening, the same theme was echoed in an editorial by the pro-regime newspaper LA REPUBLICA, which added that the United States had warned that it would not pay the $51 million it owes the OAS unless the organization "approved harsher sanctions against Panama."

On the morning of 24 August none of the national newspapers carried reports on the overnight meeting, and only one paper, MATUTINO, mentioned the meeting in an editorial comment. With regard to the issues the OAS ministers would be considering, MATUTINO said that they faced two options: "the easy road of yielding to the demands of the world power" or "the difficult road of united Latin American resistance...to the insatiable ambitions of the United States of America." MATUTINO added that the OAS might be swayed to choose the easy road because of "the heavy burden of Latin America's foreign debt commitments."

Subsequent commentary hailed the results of the OAS meeting as a victory for Panama's right to self-determination and as a reaffirmation of the principle of nonintervention. A MATUTINO political columnist on 25 August declared that Panamanian representatives at the meeting spoke "with the vibrant voice of truth" while the OAS itself "displayed a degree of maturity that has earned it the respect of countries throughout the world." The regime newspaper CRITICA on the same day praised the speech of Panamanian Government representative Romulo Escobar Bethancourt, whose "honest words moved consciences, pulverized aggressive cretinism, and drowned the lie with an ocean of truth" at the OAS meeting. CRITICA went on to congratulate Escobar for successfully defending General Manuel Noriega against slander, although the newspaper noted that Noriega "does not need to be defended." CRITICA predicted that Noriega will be ranked by history "alongside the greatest men of our continent."

Media comment on 27 August noted that the OAS "repudiation" of U.S. policy had set the stage for further confrontations between Panama and the United States as well as for a Panamanian solution to the political crisis. Carlos Duque, the president of the governing Democratic Revolutionary Party (PRD) and former presidential candidate, wrote in LA REPUBLICA that despite the OAS resolution's defense of Panamanian sovereignty, the Bush administration has decided to maintain economic sanctions against the country. Duque said that the United States is planning a military attack "on a country that has been its ally and friend for more than 80 years." He added that "brute force is the only message" being sent to Panamanians by the U.S. Government.

Another LA REPUBLICA columnist, Justo Arroyo, said that the OAS deliberations were a "bitter pill for President Bush and his proteges" in the sense that they reversed the OAS resolution of May 1989 "which had brought so much shame to its signatories." Arroyo went on to say that the new Panamanian Government, "faced with a permanent threat of invasion and lacking any possibility of an accomodation with the U.S. Administration in the short term," will have to come up with "highly creative plans and programs, and with solutions that are worthy of one of the most courageous countries in the world."

The Panamanian media have reported heavily on possible configurations of a new Panamanian Government, which is scheduled to be formed by 1 September. In the 27 August edition of LA REPUBLICA, commentator Mario Augusto Rodriguez suggested the formation of a "cabinet" government comprising six "ministers" each from the COLINA (National Liberation Coalition) and ADOC (Civic Democratic Oppostion Alliance) parties. The chief task of this government would be to restore the conditions necessary to hold "democratic, orderly, free, and trustworthy elections." Another important objective of the coalition would be to normalize relations with the United States in order to "solve the economic crisis and eliminate the pressures and influences that are hindering the normal development of national life." According to Rodriguez, the provisional government would not "assume the functions, nor require the existence, of the legislative branch because its legislative decisions would only be in effect temporarily, until constitutional elections are held."

In an article carried by the pro-regime newspapers CRITICA and LA ESTRELLA, PRD leader Carlos Duque announced that the "First Government that will run the country within the framework of a New Republic will begin on 1 September." Speaking at the close of the 1st Latin American Businessmen's Forum, a 3-day conference sponsored by the PRD, Duque said that the new government will need the help of the political parties in order "to support the businessmen and especially the workers, who have borne the burnt of the crisis; to help strengthen tourism; and to guarantee local and foreign investors a country in which there is order, peace, respect, and administrative honesty at all levels."

The Economy

The 1st Latin American Businessmen's Forum issued a declaration on 27 August which expressed the participants' support for Panamanian free enterprise and democratic government. The declaration urged Latin American governments to join forces in order to handle the renegotiation of foreign debt "in such a way that it will not continue harming the economy of our countries and

mortgaging the future of our nations." The forum declaration also supported the creation of a Latin American "Common Market to develop, stimulate, and coordinate the sources of production, export and import, and the exchange of merchandise, goods, and services as a way of achieving the economic liberation and development of the entire Latin American region."

Barter Arrangement for Electricity—Panamanian and Honduran media on 28 August reported an agreement between the power authorities of the two countries that will allow Panama's debt of nearly $5 million for Honduran electricity to be repaid in part by a barter arrangement involving Panamanian molasses and "electrical materials." The manager of the Honduran power authority noted that Panama's electricity debt will grow despite the barter arrangement but that Honduras will continue selling electricity to its southern neighbor as well as to Nicaragua with whom a similar barter deal has been concluded.

Companies Reaching Breaking Point—Alberto Boyd, the president of the Panamanian National Council of Private Enterprise (CONEP), told Telemetro television on 25 August "that a large number of companies are reaching the breaking point" because of the protracted political crisis in the country and the accompanying economic decline. Boyd said that he was unable to cite a specific number of companies but he noted that "when their capacity to hold out has been exhausted these companies won't have any alternative but to shut down operations, and this will bring about an increase in unemployment."

Government Plans Audit of Frozen Funds—Panamanian Comptroller General Francisco Rodriguez is reviewing ways to audit Panamanian funds frozen by the United States and controlled by former President Eric Arturo Delvalle and other Panamanian officials in the United States. Rodriguez noted that the task of auditing these funds would be difficult given the prevailing differences between the two governments. On another subject, Rodriguez said that current economic conditions make it impossible to hold elections in a short time because of their cost, approximately $15 million. Rodriguez said that election could only be held after the United States lifts its "economic aggressions."

Bolivia

Alleged Colombian Drug Traffickers Arrested

PY2708012089 Madrid EFE in Spanish 1949 GMT 26 Aug 89

[Text] La Paz, 26 Aug (EFE)—Bolivian Interior Minister Guillermo Capobianco confirmed today the arrest of four Colombians presumably involved in drug trafficking. They were arrested in Santa Cruz, 902 km southeast of La Paz.

The arrest was made after the government ordered strict control—in the air, on land, and on the river—of the border to prevent alleged drug traffickers from entering Bolivia following Colombia's offensive against the drug cartels.

Capobianco said that thanks to a report from the Santa Cruz police, the government "was able to learn of the infiltration of Colombian drug traffickers into Bolivia. The drug traffickers are escaping from the all-out war declared against them in the last few days by President Virgilio Barco."

Capobianco, who declined to give any more details, said that the four Colombians under arrest are being investigated by Interpol.

Members of the Air Force, Army, and Navy are carrying out the border control operation.

Jose Luis Paredes, vice minister of immigration, who is in Santa Cruz on an official mission, ordered all Colombian residents of Santa Cruz to report to the immigration office in order to bring their residence permits up to date.

Santa Cruz Immigration Director Richard Larch said that the measure is aimed at preventing Colombian drug traffickers from coming to Bolivia. He added that the Colombians living in Bolivia will also be protected by the new measure.

Larch said that 25 Colombians have arrived in Santa Cruz in the last few days carrying illegal documents.

He added that according to reports he received from some regions of the Beni Department many Colombians have arrived in private airplanes.

Larch said: "National officials are taking the necessary measures and are investigating."

Armed Forces Commander on Antidrug Fight

PY2908012489 La Paz La Red Panamericana in Spanish 0000 GMT 29 Aug 89

[Text] Edwin Peredo Camacho, Armed Forces commander in chief has said that the Armed Forces will faithfully fulfill any government order on their participation for the replacement of coca farms, adding that thus far he has had no official notification on the subject.

Camacho reiterated that the Armed Forces are now operating as part of the repressive forces and that the Navy and the Air Force are providing transportation for antidrug equipment and personnel.

Camacho explained that Armed Forces garrisons are permanently controlling our borders in order to maintain peace and tranquillity. Consequently, he said, it is not necessary to institute extraordinary control measures in the wake of the violent actions in Colombia, where drug trafficking rings were disbanded and are now looking for a safe country for their activities.

The military commander stressed that the alleged involvement of the Navy commander in drug trafficking is being investigated through the appropriate channels. Camacho added that the results of the investigation will be released in the next few days.

Position on Ties With Chile 'Reaffirmed'

PY2608120389 Madrid EFE in Spanish 0303 GMT 26 Aug 89

[Text] Cochabamba, 25 Aug (EFE)—Bolivian Vice President Luis Ossio said here today that Bolivia will resume diplomatic relations with Chile after the Bolivian landlocked situation is resolved.

Ossio referred to the comments made yesterday by Chilean Government spokesmen who said that there are no pending problems between Chile and Bolivia. Ossio said that the Bolivian Congress recently reaffirmed its position on discussing this issue multilaterally.

He said that bilateral diplomatic links will only be discussed after the Chilean Government accepts multilateral negotiations and recognizes the need to negotiate the Bolivian landlocked situation.

Bolivian-Chilean relations were interrupted on 17 March 1975 after the failure of the negotiations between Bolivian President Hugo Banzer and Chilean President Augusto Pinochet.

The last effort for rapprochement ended on 9 June 1987 when the Chilean Government rejected a Bolivian proposal to get a sovereign outlet to the Pacific Ocean in exchange for economic and commercial compensation.

Bolivia lost its seacoast in the 1879 war in which Bolivia and Peru confronted Chile.

Paz Zamora Interviewed on Relations With Chile

PY2708165289 Santiago COSAS in Spanish 17 Aug 89 pp 54, 55

["Exclusive" interview granted by Jaime Paz Zamora to COSAS reporter Andre Jouffe in La Paz before being confirmed as Bolivian president—date not given]

[Excerpts] [Passage omitted] [Jouffe] How do you view future relations with Chile?

[Paz Zamora] The problem between Chile and Bolivia originated in the 19th century, and I believe that we are all committing a serious error by using a century-old attitude to deal with it. As the 20th century comes to an end and we approach the next century we must face this problem with a 21st-century attitude.

[Jouffe] Why was it that the two countries, when both had democratic governments, were not able to reach an agreement, and the closest they came to reaching one was when Pinochet and Banzer were in power at the same time?

[Paz Zamora] In recent years democracy has not simultaneously ruled in both countries [as published], and the Banzer-Pinochet meeting in the 1970's was not intended by either side to solve the problem. It was the case of two dictatorships that needed to talk about the problem for reasons of internal interest to both sides. The meeting took place when Pinochet had been in power for 2 years and Banzer for 4 years. That meeting, in my view, was more a matter of survival self-interest and political gain from talking about the problem that brought the two presidents together, not the will to resolve it. [passage omitted]

[Jouffe] Bolivia is in a process of restoring its economy. Has this fact not awakened coupist intentions in a country that has traditionally and historically been characterized by such intentions?

[Paz Zamora] The militarist and coupist intentions are always there in a latent form. Those who have the privilege of managing arms on behalf of society are always tempted to manage them in their own behalf. I believe this is a permanent risk. However, in the Bolivian case, we can see that the Armed Forces are making a serious effort to fit into the democratic model. The ruling civilians and democracy must define the Armed Forces' role in the country so that they won't be idle. If they are idle, they stage coups. It is important for the Armed Forces to find their own objective within the democracy, and then pursue it. This proposal is part of our program. We have repeatedly said in Bolivia that the Armed Forces must not restrict their function to defending the national sovereignty and internal security, because this is a militarized concept of sovereignty. They must also understand that a child's life and health can be seen as a border to be defended. I believe that the Armed Forces must continue to be an organized institutional force in the country, but they must also act as protagonists in a country that has opted for democracy.

[Jouffe] Do you sincerely believe that this is being attained?

[Paz Zamora] Yes, I honestly believe that it is.

[Jouffe] What will be the criterion to be applied to the drug problem? Are you thinking of finding a profitable substitute for the coca plantations that are cultivated by thousands of peasants?

[Paz Zamora] We have clearly stated our position. We are determined to fight drug trafficking because we must. Bolivia will not be forced to pay alone a bill that must be paid by many others. Moreover, the fight against drug trafficking should not make the Bolivian people poorer than they are already. The fight against drugs costs money, and investments must be made. If the United States can afford to pay some $1.0 billion to the government of Mrs Aquino to maintain its base in the Philippines for another year, it can also invest that much money in Bolivia to fight drug trafficking and solve the problem in the short term. We are going to fight drug trafficking as a crime must be fought, and we must find a substitute for coca planting. To do this we need money. Planting coca is part of our culture, not an illegal act.

Brazil

Mayor Wants Reinforcement at Colombian Border

PY2708034589 Madrid EFE in Spanish 0038 GMT 27 Aug 89

[Text] Manaus, 26, Aug (EFE)—Today the mayor of Tabatinga, a city on the Colombian border, asked the Brazilian Justice Ministry to send police reinforcements due to the growing number of Colombians in that region.

This information was provided tonight by a special envoy of the Brazilian Television System (TVS/SBT). He said that the mayor does not want to talk because he fears reprisals from the Colombian drug traffickers.

The U.S. NBC television network has reported that Colombian drug traffickers are already in Manaus, capital of Amazonas State. NBC has sent a team of reporters to cover any event.

General Antenor Abreu, military commander of Amazonia, said that "if the struggle against drug trafficking in Colombia is intensified, the traffickers will tend to enter Brazil and this can bring us serious consequences."

He added that the Army and Navy forces in that region are alert and ready to prevent drug traffickers operating in Colombia from hiding in Brazil.

Group of Eight To Meet in Rio 30-31 Aug

PY2908030289 Brasilia Domestic Service in Portuguese 2200 GMT 28 Aug 89

[By Sonia Filgueiras]

[Text] Brazil, Venezuela, Peru, Colombia, Argentina, Uruguay, and Mexico, the seven countries that make up the Group of Eight now that Panama has been temporarily excluded, will meet in Rio de Janeiro from 30 to 31 August to discuss ways of reducing the debt among the Latin American countries.

According to Sergio Amaral, Finance Ministry secretary for international affairs, the Group of Eight experts will

discuss mechanisms to reduce the Latin American countries' debt to each other. Brazil, which is one of the largest creditors, has been using some of these mechanisms to renegotiate the Paraguayan debt, for example. The agreement signed between Brazil and Paraguay allows for the reduction of the two countries' debts. This is what Sergio Amaral explained:

[Begin Amaral recording] If Brazil allows another Latin American country that owes Brazil money to pay part of its debt by buying foreign debt notes on the Brazilian debt to creditor banks, that country will spend less to pay its debt to Brazil, and the Brazilian debt will also be reduced. Let us take the Paraguayan debt to Brazil as an example: If Paraguay pays its debt to Brazil by buying foreign Brazilian debt notes, both countries will be reducing their debts because when Paraguay buys these foreign debt notes on the secondary market, it will be as if Brazil were buying paper on its own debt. [end recording]

Sergio Amaral added that, during the meeting, Group of Eight representatives will conduct a detailed survey on the amount of their debts.

Police Remove Bomb From PT Electoral Office

PY2808172389 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 28 Aug 89

[Text] The Federal Police have discovered a bomb planted at the offices of the electoral committee of the PT [Workers Party] presidential candidate Luiz Inacio da Silva, Lula. The bomb had been place outside the Electoral Committee Office in Vila Mariana, in the southern end of Sao Paulo. The office was cordoned off and the police later removed the package. They did not allow the scene to be filmed. According the police, the were four cylindrical mortar-type grenades, without explosive and corroded inside the package.

Collor Continues To Lead Presidential Race

PY2608121289 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 25 Aug 89 p 1

[Text] According to a Gallup poll, Fernando Collor de Mello, presidential candidate of the PRN [National Reconstruction Party], would have won the presidential election with 45.1 percent of the vote had the elections been held from 10 to 22 August 1989. Gallup conducted the poll in 191 Brazilian cities. Collor who fell slightly in the previous poll went up again after the incident of Niteroi between PRN and Brizola supporters. Leonel Brizola, candidate of the PDT [Democratic Workers Party], who appears alone in second place also improved his position. Five candidates are practically even in third place between the 6 percent of Paulo Maluf and the 3.1 percent of Ulysses Guimaraes. The undecided vote fell from 16.5 percent to 10.5 percent. Aureliano Chavez, candidate of the second largest Brazilian party, the PFL [Liberal Front Party], fell to the next to last place with 1.2 percent along with candidate Ronaldo Caiado of the PSD [Social Democratic Party].

Chile

Justice Minister's Escort Car Attacked

PY2808192189 Santiago EL MERCURIO in Spanish 25 Aug 89 p C-11

[Text] The escort car of Justice Minister Hugo Rosende was attacked with explosives and automatic weapons at the corner of Jose Miguel Carrera and Aurora de Chile Streets, at bus stop 22 of Vicuna Mackenna Poniente Avenue in La Florida.

No one was wounded, but a nearby house was damaged by gunfire. A large number of policemen and security agents came to the site to investigate, and they arrested some suspects.

The attack took place at 2200, when a metallic-gray Peugeot 505, driven by Patricio Ross, was on its regular rounds, taking home the number three group of the justice minister's bodyguards, two of whom are Carabineros.

The attackers waited for the car near the house of one of the escorts, and as the car drove by, they set off a bomb and fired automatic weapons. The driver said that when he saw the explosion, he accelerated to get away from the attack, and then stopped the car nearby and repelled the attack with his machinegun. The car ended up with two bullet holes in the front.

The police theorize that the attack had to do with the strike being observed by the country's court employees.

Justice Minister Hugo Rosende condemned the attack on his personnel in these terms: "I strongly condemn any armed attack on personnel who are performing their duty. We Chileans must unite to defeat the scourge of terrorism."

Arrested Suspects in Tobalaba Attack Named

PY2808220689 Santiago EL MERCURIO in Spanish 22 Aug 89 pp C-1, C-8

[Excerpts] Army Aviation Lieutenant Roberto Zegers Reed was shot dead at point-blank range during an attack against the Eugolio Sanchez Airport in Tobalaba. He was shot six times. [passage omitted]

On 21 August the security services raided several houses in search of the extremist cell that killed Zegers. It has been reported that the attack may have been carried out by a facton of the FPMR [Manuel Rodriguez Patriotic Front].

The following individuals have been reported arrested: Jessica and Claudia Liberona Mignoli, Maria Raquel Echiburu Alfaro, Andrea Fabiola Oyarzun Alvarado, Hilda Alvarado Jara (Andrea Fabiola's mother), Aida

Grisondo Ahumada, Sandro Salinas Gallegos (the brother of another man who is charged with involvement in terrorist activities), Claudio Zenteno Conejeros, Angel Droguett Zuniga, Miriam Rojas Rubio, and Maria Quijada Donoso.

The detainees have been placed at the disposal of Commander Edgardo Oviedo, who is in charge of the second military prosecutor's office and who received the case on 21 August. Commander Oviedo ordered that the arrestees be detained for 10 days at the investigations police central headquarters. He issued the order on the basis of Article 11 of Law No 81314 (which deals with terrorism). The first legal proceedings were ordered by prosecutor Carlos Donoso, who visited the site of the attack. [passage omitted]

Southern Cone Transport Ministers Meet 28 Aug

PY2808191689 Santiago Radio Chilena Network in Spanish 1700 GMT 28 Aug 89

[Text] The 16th Transport and Public Works Ministers Meeting of Southern Cone countries began in Santiago today. Representatives of seven regional countries are attending the meeting at the Diego Portales Building.

The ministers of Argentina, Brazil, Bolivia, Paraguay, Peru, Uruguay, and Chile are attending the debates.

Colonel Manuel Garate, the Chilean transport under secretary chaired the inaugural session and presided over the technical meetings.

The ministers will sign sign a new agreement on international ground transport at the end of the meeting. According to information released by international transport representatives, 80 percent of our exchange is made with Argentina and Brazil and 20 percent with Uruguay and Paraguay.

The businessmen maintain that the volume of ground cargo transport among Chile, Peru, and Bolivia is insignificant.

The international meeting will end on 1 September.

Icarosan Buys 51 Percent of Lan Chile Shares

PY2808222489 Santiago EL MERCURIO in Spanish 19 Aug 89 p B-1

[Excerpt] A communique released by the Production Development Corporation (CORFO) yesterday states that CORFO has decided to award 51 percent of the Lan Chile airline shares to Icarosan S.A.

In the communique, CORFO explained that the decision was made considering the qualifications of the companies interested in buying the shares, their plan for Lan Chile's expansion, and the presentation of the best offer in the bidding held 28 July.

The Icarosan S.A. bid amounted to 2,371,513,073 Monetary Units [unidad de fomento] (UF) equivalent to 0.26614 UF per share. The shares will have to be paid for 5 days after the Comptroller's Office is informed of CORFO's decision.

Sources related to CORFO have reported that it will take about a month for the Comptroller's Office to analyze the details of this transaction and that it will then take no more than 5 days for the winning company to receive the certificates and start using their shareholder rights.

According to Icarosan Chairman Guillermo Carey Tagle, Icarosan, which is supported by the Scandinavian Airline System (SAS), intends to increase the Lan Chile capital by some $30 million. [passage omitted]

* Resumption of Buchi Candidacy Viewed

33480242 Santiago ERCILLA in Spanish 12 Jul 89 pp 6-9

[Report by German Gamonal: "Buchi Throws His Hat Back in the Ring"]

[Text] Hernan Buchi's first remarks upon his return to the country last Monday at 0812 hours could once again transform the political panorama on the center-right and perhaps the general political picture.

After descending from the plane that brought him from Central America, Buchi walked into a VIP room and later spoke with the newsmen who had gone to Pudahuel, indicating that once he has analyzed the political situation and if a candidate does not forge the unity necessary to carry on the regime's accomplishments, he would have to reassess his position, which the country is familiar with, and assume "the resulting responsibility."

The former minister looked relaxed, albeit tired, upon his return. He was wearing a sports shirt and a gray jacket. He spent 2 weeks in several Central American countries and in Colombia "taking a look at a number of socioeconomic projects" at the request of those governments and of private business groups.

Buchi stated that he never feels pressured by either domestic private businessmen or transnational corporations.

That same day he initiated contacts with spokesmen of his invisible command, while representatives of the various visible commands expressed their satisfaction over the former minister's return and with the way that he left open the possibility of running for president "in spite of the difficulties that you are familiar with," as he stated at the airport.

The day before the former cabinet minister returned, spokesmen for the Free Democratic Center (CDL) had organized a cocktail party at the Sheraton Hotel, where they clearly indicated that "Buchi will again take up the unity banners of the advocates of a free society," in the words of Andres Marinovich, a leader of the professionals in the movement. Alberto Rabi made similar remarks at the informal meeting with journalists.

Upon his return to the country, Buchi found that the opposition had officially nominated Patricio Aylwin, who was received as a presidential candidate in Argentina, where he had attended the transfer of power.

Twenty-four hours before Hernan Buchi's return, President Pinochet had given the advocates of a free society a severe dressing down for their lack of unity and their personal attacks. The chief of state spoke at a barracks gathering on Sunday at the Chacabuco Regiment in Concepcion. The chief executive lashed out at the people who in the past unsuccessfully promised a revolution in freedom or a Chilean path to socialism, also taking the opportunity to criticize the personal attacks on the center-right.

Candidate Aylwin

After overcoming a number of difficulties, the opposition, consisting of 16 parties or movements, managed to close ranks around the presidential candidacy of Patricio Aylwin. Enrique Silva Cimma and then Eugenio Velasco had dropped out in previous weeks. Alejandro Hales withdrew just an hour before the ceremony at which Aylwin was nominated.

The opposition was unable to comply with the three points on the so-called "Maira Agenda," which called for: 1) A presidential candidate; 2) An opposition platform; and 3) A unified slate of candidates for Congress.

Only the name of the candidate was approved last Thursday. The procedure was sped up so that Aylwin could attend as a formal presidential candidate the official ceremony in Buenos Aires at which President Carlos Saul Menem took office.

The meetings continued the following day, but no accord was reached on the official document of the platform, let alone on the single slate of candidates for Congress. Still pending in the platform are some aspects of the section having to do with the role of the Armed Forces and certain details of socioeconomic policy.

As for the congressional elections, there was no agreement on the unified slate after the Communist Party (PC) insisted on a number of candidates that the Party for Democracy (PPD) regarded as excessive. The problem had to be resolved inside the PAIS [Broad Party of the Socialist Left], which Luis Maira heads, and as this edition went to press, it had been taken care of through parallel slates with candidates from the so-called "communist culture." These slates could cause several opposition candidates to lose. Eric Campana accused the PC of turning into a "spoiler for the opposition."

Congressional accords aside, Patricio Aylwin's team has his presidential campaign all planned out. Prior overseas trips are included. Enrique Kraus is putting the final touches on a swing through several European countries, and the candidate will also travel to the United States.

Some of the supporters of the opposition candidate are spelling out all of the details of a modern, streamlined campaign that will reach the entire country in a few days. Aylwin himself charted the strategy back when he made his speech accepting the nomination. For one thing he will seek to convey the idea of a true national reconciliation among all Chileans, hence his appeal to those who voted yes in last October's plebiscite, which not all sectors of the opposition Concertacion look kindly upon.

The campaign's first "image" problem arose when the PC's decision to support Aylwin was publicized. The spokesmen of the Christian Democrat Party (PDC), who are more realistic and have better defined ideological positions, had said that "the same stand that President Juan Antonio Rios took in 1942" had to be taken towards the PC. When Rios was a candidate, he said: "Let the communists do whatever they want...." knowing that they had to vote for him because his opponent was General Carlos Ibanez del Campo, who during his first administration (1927-1931) had outlawed the PC. Without asking for it, Rios got the support of Chilean communists.

This time the PC hastened to give Aylwin its support, which brought immediate reactions. Sergio Onofre Jarpa stated in Concepcion that Aylwin ought to explain the significance of such backing to the country. The governing board of the DC [Christian Democrats] also met on Monday to make known its criticism of the PC's decision.

Representatives of the Independent Democratic Union (UDI) and National Renewal (RN) criticized Aylwin for what Herman Chadwick called "covert support from communism for his presidential candidacy." Chadwick made known his opinion on a Sunday TV program broadcast by the channel of the Catholic University of Valparaiso; he had joined the panel "to defend the government's record," the moderator explained.

During a luncheon at Moneda Palace the program was criticized for not giving the government much chance to defend itself, and there were especially harsh words for a businessman who is emerging as a candidate for senator from Santiago because he did not support a continuation of the regime and instead agreed with positions that Ricardo Lagos voiced.

The Center-Right

The center-right has had a series of problems stemming mainly from its split. The issue has been around for some time now. The UDI's break with RN is one of the main causes of the rift, but there are others. Neither the UDI nor RN get along with National Vanguard (AN). RN is also critical of the CDL, a movement that has close ties with the UDI.

It has been announced that next weekend the RN Council will nominate Sergio Onofre Jarpa.

Jarpa will most likely gain the support of the parties in the triangle: RN, Radical Democracy (DR), and the National Party (PN), but his campaign faces two obstacles: a) the return of Hernan Buchi, who will have to take a clear-cut stand by accepting his nomination; b) the lack of organized support from the nation's businessmen, who look more favorably on a Buchi candidacy. Business support is essential to making a campaign work.

Jarpa's friends feel that he will remain a candidate to the end "with or without Buchi," because the most important thing is to win Congress. Jarpa himself feels that it is good for the center-right if several candidates run and then ultimately support in a second round of balloting whoever has gotten the most votes. Fernando Monckeberg's friends feel the same way, and he continues to gather signatures to run as an independent, while Francisco Javier Errazuriz' political command has also announced his return to the presidential arena. The members of his command have been organizing events in various cities around the country. They say that they are in a position to organize a political movement that will fully support the candidate, who has maintained virtual silence over the past 2 months.

Arturo Alessandri is taking a wait-and-see approach to the big race, although his name has emerged as a candidate for senator from Antofagasta in a contest against Carmen Frei.

The next few hours are decisive for the center-right, which will have to decide whether to support Hernan Buchi alone or multiple candidates in a bid to take some votes away from the opposition candidate, who emerged the winner in the recent poll made public by the Center for Public Studies (CEP).

Be that as it may, the panorama is not clear with less than a month to go before the candidates for deputy and president of the Republic have to register. For the time being there is just one definite candidate: the opposition's.

Doubts persist on the center-right, and the dilemma is this: Back a single candidate or run several people. Buchi's supporters say that it is preferable to run just the former minister, but Jarpa's backers insist that it is preferable to run more than one center-right candidate to prevent Aylwin from winning in the first round.

Just one thing is clear: The registration of the candidates is less than 30 days away. The time for decisions has come.

[Box, p 7] Candidates: What the Polls Say

The poll that was released last week by the Center for Public Studies and that was conducted by the market research firm Adimark was eagerly awaited by political sectors. And as was also to be expected, it immediately caused controversy.

What the poll says, in brief, is that the candidate of the Concertacion, Aylwin, would win the election today by a wide margin. Everything else is asides about the relative position of the potential center-right candidates, who so far have been sources of disputes rather than of agreements in those sectors.

Table 1 shows the main findings when Aylwin is pitted against different candidates in "second rounds" of balloting for president. Aylwin would win overwhelmingly in all cases, although the performance of his rivals would vary somewhat, with Buchi doing the best, followed by Jarpa, F.J. Errazuriz (close behind Jarpa), Caceres, and Perez de Arce.

Table 1. CEP-Adimark Study (June 1989)

Candidate	Percentage
Aylwin	52.7
Buchi	39.8
No answer	7.5
Aylwin	57.3
Jarpa	30.1
No answer	12.6
Aylwin	57.9
F. J. Errazuriz	29.0
No answer	13.1
Aylwin	65.1
Caceres	17.6
No answer	17.3

The Jarpa backers argue that their candidate is on the sharpest upswing, inasmuch as he has risen from 24.1 percent in March of this year to 30.1 percent in this latest June poll, 6 points in 3 months. Buchi's supporters contend that he is the best candidate because although he has not improved much in a one-on-one contest (37.3 percent in March and 39.8 percent in June), he is doing better than the rest and, moreover, when there are three or more choices, he is far ahead of other center-right candidates.

ERCILLA-C.A. Poll

ERCILLA wanted to see more recent findings and thus asked Consultores Asociados de Mercado (CA) to do a "flash" study, which it conducted on 4 July 1989 among 800 mass transit riders at stops in 23 districts of the Greater Santiago Area.

The findings of this poll, with two candidates pitted against each other, are presented in Table 2. As can be expected, Aylwin has a lead (an even bigger one than he really does) because the respondents were waiting for public transportation and are thus mostly working class.

Table 2. ERCILLA-CA Flash Poll (4 July 1989)

Candidate	Percentage
Aylwin	61.8
Buchi	33.3
Neither	4.8
Aylwin	64.3
Jarpa	28.4
Neither	7.0
Aylwin	63.0
Alessandri	26.6
Neither	10.2

Therefore, a correction was figured in by weighting the responses in accordance with the actual percentages in the plebiscite and with the preferences expressed for each candidate by persons who said they voted "yes" or "no" on 5 October. The results can be seen in Table 3, which in any case shows Aylwin far in front.

Table 3. Weighted ERCILLA-CA Flash Poll (4 July 1989)

Candidate	Percentage
Aylwin	52.9
Buchi	42.2
Neither	4.9
Aylwin	55.8
Jarpa	36.1
Neither	8.1
Aylwin	54.3
Alessandri	33.1
Neither	12.5

Only in the event that there are three candidates (Aylwin, Jarpa, Errazuriz or Aylwin, Buchi, Errazuriz) does the opposition's candidate take less than or around 50 percent of the vote in the first round of balloting. If such a situation were to arise, it is unlikely that the Errazuriz vote would go entirely to Jarpa or Buchi (and vice versa), especially to the latter, given the well-known bad blood between Buchi and Errazuriz and their supporters.

Colombia

Barco: Drug Trafficking Endangers Country

PA2908030789 Madrid EFE in Spanish 0213 GMT 29 Aug 89

[Text] Bogota, 28 Aug (EFE)—Colombian President Virgilio Barco said in a message "to the international community," which was issued this evening by the Presidency of the Republic, that "the survival of Colombia, one of the most stable and oldest democracies in Latin America, is in danger."

The Colombian president categorically stated: "We cannot rest until we have destroyed the drug trafficking organizations. We have captured thousands of people and confiscated millions of dollars in properties and aircraft, and we will steadfastly pursue the drug traffickers despite their resources and more sophisticated weapons."

The Presidency said that Barco's message was also broadcast by the most important television networks in the United States.

Drug traffickers "must understand that they are international fugitives running from a civilized society," Barco said in his message.

The president added that "there must be no respite or home for them" and that "there must be no market for their drugs."

Barco's dramatic message to the international community was broadcast shortly after it was learned that Fabio Ochoa Restrepo, father of Jorge Luis, Fabio, and David Ochoa Vasquez—whose extradition has been requested by the U.S. authorities—sent a public letter to Barco proposing that they start "with a clean slate."

Barco added that drug trafficking cartels have to know that they are not just struggling against Colombia, because "the whole world is united in its indignation and in its solidarity with the actions we are currently carrying out."

Virgilio Barco said drug trafficking is "a criminal enterprise that is being nurtured by the habits of millions of cocaine consumers, some of whom are probably listening."

"Those who depend on cocaine have permitted the appearance of the most violent criminal organization that the world has known," the president stated.

"What initially seemed a matter of personal habits has had explosive consequences for society," he added.

Barco warned the international community: "Naturally, it is more important for you to reduce the demand than for us to reduce the offer. We cannot fully destroy drug trafficking while it is capable of achieving extraordinary profits and while there are thousands of persons who consume illegal drugs somewhere, in some country."

The Colombian Government began an all-out war against the drug cartels 10 days ago, following the assassination of Senator and Liberal Party presidential candidate Luis Carlos Galan on 18 August.

Court Revokes Arrest Warrant for Drug Kingpins

PA2808230689 Hamburg DPA in Spanish 2133 GMT 28 Aug 89

[Text] Bogota, 28 Aug (DPA)—Combined Army and police forces have raided an office in downtown Bogota that apparently served as the "financial headquarters" of the drug trafficking group headed by Gonzalo Rodriguez Gacha, the second most important Medellin Cartel boss. This announcement was made today by the Colombian Defense Ministry.

It has been reported that the authorities discovered the numbers of the bank accounts the drug trafficker has in Colombia and abroad. The authorities confiscated 30 sophisticated computers, telefax, and other electronic equipment. This has been another severe setback for Rodriguez Gacha, one of the mafia bosses most wanted by the U.S. Government.

Rodriguez Gacha, alias the Mexican, is considered to be the right-hand man of Pablo Escobar Gaviria, the Medellin Cartel's top boss. Gacha's group has suffered many losses due to the offensive launched by the government against cocaine trafficking organizations operating in Colombia. Over the past few days, elite Army troops have seized several large farms owned by Rodriguez Gacha in the town of Pacho, as well as luxurious residences in Bogota. A son of Rodriguez Gacha, Freddy Rodriguez Celades, and the group's "chief of finances," Fernando Galeano Berrio—who is wanted by the U.S. authorities—are being held by Colombian authorities.

However, despite the "war" the government has declared on the drug trafficking gangs, a superior court has revoked a warrant for the arrest of Escobar Gaviria, Rodriguez Gacha, and other persons linked to massacres carried out by rightist military groups being trained by Israeli, British, U.S., and West German mercenaries, according to the investigations.

The ruling was made known yesterday. Today the country is still amazed, considering that there is enough evidence to prove that the mafia leaders masterminded the massacres, as reported by Justice Maria Elena Diaz, who was shot to death last month, evidently as a reprisal for having stated this opinion.

The arrest warrant also included Luis Rubio Rojas, a former mayor of the town of Puerto Boyaca, an operations center of rightist paramilitary elements, and several Army detachment elements who reportedly promote terrorist squadrons.

It has been fully established that armed ultra-rightist groups have been trained by foreign mercenaries, including Jair Klein, a former Israeli Army colonel who commanded his country's antiterrorist corps several years ago.

Recall of Envoy to Panama Termed 'Indefinite'

PA2908022989 Madrid EFE in Spanish 0138 GMT 29 Aug 89

[Excerpt] Bogota, 28 Aug (EFE)—The Colombian Foreign Ministry today confirmed to EFE that Colombian Ambassador to Panama General Jaime Hernandez Lopez has been recalled for consultation by Colombian Foreign Minister Julio Londono Paredes.

A Foreign Ministry spokesman told EFE that Ambassador Hernandez will leave for Colombia on Wednesday and that Gladys Pulecio de Guarin will replace him as charge d'affaires in Panama.

The Foreign Ministry spokesman added that Ambassador Hernandez will remain in Bogota for an indefinite period, but refused to comment further on the reasons for his recall. [passage omitted]

Bombs Defused in Medellin; Police Released

PA2808194589 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 28 Aug 89

[Report by Gladys Vargas]

[Text] Terrorism continues in Medellin. The metropolitan police this morning defused five bombs and arrested five suspects. During the operation, the police recovered sewing machines [maquinas de corsar] worth 25 million pesos. A vehicle and a motorcycle were confiscated.

Four police agents from the [words indistinct] Boyaca Command kidnapped by the so-called Army of National Liberation [ELN] were released on 27 August at 1800 in Grenada, eastern Antioquia Department. The police agents were kidnapped on 14 August. Police agents Jesus Bernardo Bustos, Miguel Angel Garcia, Jairo Vargas, and Esteban Galviz were returning to (?Tama) after participating in the national police anniversary celebrations when they were kidnapped on the Medellin-Bogota Highway.

The released policemen have not spoken to their superiors yet and therefore could not talk to the media. The ELN reported that it treated the policemen well and that this release is an action in favor of a more humanized war, which is a slogan these guerrillas have proclaimed in the past 5 years. Shortly before the release of these policemen, the ELN kidnapped Eliecer de Jesus Acevedo Olarte, the mayor of Zaragoza Municipality, in Antoquia Department.

Pizarro Proposes 'National Salvation Pact'

PA2808173989 Bogota EL TIEMPO in Spanish 25 Aug 89 p 6-B

[Text] Carlos Pizarro Leongomez, leader of the M-19 [19 April Movement], on 24 August proposed a national salvation pact to bring the country out of its current crisis.

In a message made available to all the media, the guerrilla leader maintains that "the reign of death must end and life must again occupy the place of honor it deserves."

The movement's proposal came 1 day after President Virgilio Barco appointed Government Minister Orlando Vasquez Velasquez and a delegate of the Advisory Board for Peace Issues [Consejeria Para Asuntos de Paz] to initiate direct contacts with rebel groups that have expressly voiced a willingness to participate in talks.

They must define the mechanisms for the dialogue and a work agenda to be discussed with the Revolutionary Armed Forces of Colombia, People's Liberation Army, and the pro-Indian Quintin Lame group.

In the proposal, Pizarro asked the government to reassume its leadership responsibilities.

The leader also said that the peace advocated by the government and M-19 has been "at the reach of the people" for several months, but the "country is waiting for a signal to start ringing bells and embarking on a new phase in which its sacrifices will be crowned by the creation of a country reconciled with itself and its fate."

Peru

Colombian Border Closed To Check Trafficking

PY2808152689 Lima Television Peruana in Spanish 1300 GMT 28 Aug 89

[Text] The violence resulting from drug trafficking activities, violence that is now spreading in Colombia, will in no way spread to Peru.

This remark was made by the national director of the Peruvian Technical Police, Fernando Reyes Roca.

Here are his remarks:

[Begin recording] [Reporter] In light of the violence currently being experienced by our sister Republic of Colombia in the struggle against drug trafficking, do you believe that here in Peru we will somehow experience something similar?

[Reyes] I honestly do not believe that we can compare ourselves with our sister Republic of Colombia because we are controlling everything that concerns drug trafficking activities.

We are also closing our borders in order to prevent Colombian drug traffickers from illegally entering our country.

We are taking all the appropriate steps. [end recording]

Border in 'State of Alert'

PY2800201800 Lima Television Peruana in Spanish 1800 GMT 28 Aug 89

[Text] Interior Minister Agustin Mantilla today said that border checkpoints have been placed in a state of alert to close the border to Colombian drug traffickers, who may seek shelter in an effort to escape the Colombian police. The minister added that antisubversive operations have forced terrorist groups to retreat and to escape into the jungle.

Minister Wants More U.S. Aid

PY2708213489 Lima Television Peruana in Spanish 1800 GMT 28 Aug 89

[Excerpts] Interior Minister Agustin Mantilla has called for more U.S. economic aid to fight drug trafficking. He explained that the aid currently being received is insufficient.

[Begin recording] [Mantilla] In the face of reports from Colombia that some drug traffickers may be trying to enter our territory to evade police action, we have ordered a state of alert in all border units and in the units deployed near border towns. Patrols and searches of foreigners have been ordered to detect criminals trying to enter our country.

[Reporter] Where will these measures be enforced?

[Mantilla] Particularly in the jungle zone; the border area in Leticia, Caballococha, Iquitos; and all those places that can be used as hideouts.

[Reporter] Have any such operations already been ordered?

[Mantilla] Yes, the national police director general has issued the orders which are already being implemented by units deployed in the area. [passage omitted]

[Reporter] Mr Minister, will Operation Condor be stepped up?

[Mantilla] Of course. It is a permanent effort which is part of the antidrug struggle. We have not given the press any information, but the police are permanently fighting drug trafficking.

[Reporter] Mr Minister, will we receive U.S. aid for this effort?

[Mantilla] We are receiving aid, but it is really very little. Considering the magnitute of the problem and especially its significance for the U.S. people, we hope that the U.S. Government will react and give us real help, instead of the insufficient aid we are receiving. There is little we can do with that small aid despite our will and our efforts. [end recording]

Education Minister Efrain Orbegoso Installed

PY2808204689 Lima Television Peruana in Spanish 1800 GMT 28 Aug 89

[Summary] On 28 August Efrain Orbegoso was sworn in as new education minister replacing Mercedes Cabanillas who resigned to run for mayor of Lima.

Uruguay

Sanguinetti Plans Sep Visit to Japan, U.S.

PY2508134489 Montevideo Radio Carve in Spanish 0930 GMT 25 Aug 89

[Excerpts] A cable that has just been received from Tokyo states that Uruguayan President Julio Maria Sanguinetti will start an official 4-day visit to Japan on 11 September. [passage omitted]

At the end of his visit, President Sanguinetti will grant a news conference at the National Club [words indistinct] in Japan and then visit Hiroshima before leaving for the United States.

This was stated in an AFP cable from Tokyo this morning.

'Indiana I' Ferry Returns to Montevideo 23 Aug

PY2408122089 Madrid EFE in Spanish 0005 GMT 24 Aug 89

[Text] Montevideo, 23 Aug (EFE)—The "Indiana I" ferry arrived in Montevideo today. The trip—authorized by the Uruguayan Government—constitutes a new formal attempt to establish a regular ferry line between the Malvinas Islands and the Plata River.

The Uruguayan Government believes that the "relaxation of tension" in Argentine-UK relations has opened the borders for trade. These borders have been closed since the beginning of the conflict over possession of the South Atlantic islands.

The operation of the ferry, which is owned by a British firm but sails under the Bahamas flag, was forbidden on 16 March after its second trip from the Malvinas Islands.

The first time the ferry arrived in Montevideo was on 16 January this year.

According to the Foreign Ministry, at that time the ferry was authorized to receive port services "through the historic tradition of freedom of ports." However, the ferry was not allowed to transport any goods to the Malvinas Islands.

The first operation was authorized "as long as there was no direct or indirect prospects of establishing a regular line service with the Malvinas Islands."

The Uruguayan Government did not allow the ferry to enter a second time 2 months later because "there was a risk" of establishing a regular sea service. At that time the "Indiana I" had been refused service in a southern Brazilian port.

The issue of the ferry was discussed by Buenos Aires and Montevideo at the diplomatic level at the beginning of the year. The workers federations of the two countries later reached a unified agreement to boycott the ferry. Finally, the "Indiana I" was authorized to enter Montevideo today.

Foreign Minister Luis Barrios Tassano said on 19 August that he could see no problems with the "Indiana I" operating in Montevideo.

Barrios said the Uruguayan Government was acting according to different circumstances and stressed the importance of the Argentine-UK dialogue.

Barrios said that Uruguay "was joining in the favorable decision to open the borders to trade" that was adopted by President Carlos Menem's government in an attempt to solve the conflict between Argentina and the United Kindon over the Malvinas Islands.

The "Indiana I" is scheduled to transfer cargo in the port of Montevideo.

Leaves for Chile 24 Aug

PY2508014289 Buenos Aires TELAM in Spanish 2118 GMT 24 Aug 89

[Text] Montevideo, 24 Aug (TELAM-ANSA) The "Indiana I" ferry, which links South American ports with the Malvinas Islands, spent 12 hours in Montevideo and then left for Punta Arenas, at the southern end of Chile.

The ship, which flies a Bahamian flag, was contracted by a British company to establish regular service between the Malvinas and South American ports. To show its solidarity with Argentina, the Uruguayan Government did not let it enter Montevideo port last March.

The relaxation of tensions between Argentina and Great Britain, which was translated into the initiation of talks between the two countries, caused the Uruguayan Government to authorize the ship to dock in Montevideo.

After docking in Montevideo, the "Indiana I" was loaded with containers of wool and other commodities. Then it left for Punta Arenas, its last stop before returning to the Malvinas.

The local union of port workers, which in March decided to boycott the ferry, this time allowed the 2,500-ton ship to be loaded normally.

Aeroflot Awaits Decision on Line From Moscow

PY2408160289 Montevideo LA HORA POPULAR in Spanish 19 Aug 89 p 17

[Excerpt] Mr Nikolai Archakov, the representative of Aeroflot in Montevideo, on 18 August hosted a news conference in his office on Plaza Cagancha.

During the conference, called to mark "Aviation Day" in the USSR—which is equivalent to "Aeroflot day" and which is commemorated on 20 August—LA HORA POPULAR asked whether Aeroflot would fly to Uruguay. Long ago the Soviet company had expressed its willingness to operate a regular Moscow-Montevideo service. Mr Archakov reiterated that Aeroflot is still interested in operating the line. He said that the airline and the Soviet Government are waiting for Uruguay's decision on the subject, because steps have already been taken with the appropriate Uruguayan authorities. [passage omitted]